

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 20-F

☐ REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934 OR
☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE FISCAL YEAR ENDED
December 31, 2010
OR
☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
OR
☐ SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.
Date of event requiring this shell company report _____
FOR THE TRANSITION PERIOD FROM _____ TO _____

COMMISSION FILE NO. 001-14611



(formerly known as INTERACTIVE ENTERTAINMENT LIMITED)
(Exact name of registrant as specified in its charter)

BERMUDA
(Jurisdiction of Incorporation)

Floor Six, 65 Front Street, Hamilton HM12 Bermuda
(Address of principal executive offices)

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

<u>Title of each class</u>	<u>Name of each exchange on which registered</u>
Common Stock, Par Value \$0.01 per share ("Common Stock")	OTC Bulletin Board

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT: None

The number of shares outstanding of the issuer's Common Stock, as of December 31, 2010: 87,467,288

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes: ☐ No: ☒

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

Yes: ☐ No: ☒

Note – checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes: ☒ No: ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registration was required to submit and post such files).

Yes: ☐ No: ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerate filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☒

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☐ International Financial Reporting Standards as issued by the International Accounting Standards Board ☐ Other ☒

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow:

Item 17: ☒ Item 18: ☐

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes: ☐

No: ☒

CREATOR CAPITAL LIMITED

ANNUAL REPORT ON FORM 20-F

TABLE OF CONTENTS

PART 1

ITEM 1 - IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISORS	1
ITEM 2 - OFFER STATISTICS AND EXPECTED TIMETABLE	1
ITEM 3 - KEY INFORMATION	1
ITEM 4 - INFORMATION ON THE COMPANY	3
ITEM 4A – UNRESOLVED STAFF COMMENTS	3
ITEM 5 - OPERATING AND FINANCIAL REVIEW AND PROSPECTS	8
ITEM 6 - DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES	11
ITEM 7 - MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS	13
ITEM 8 - FINANCIAL INFORMATION	14
ITEM 9 - THE OFFERING AND LISTING	14
ITEM 10 - ADDITIONAL INFORMATION	15
ITEM 11 - QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK	18
ITEM 12 - DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES	18

PART II

ITEM 13 - DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES	18
ITEM 14 - MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS	18
ITEM 15 - CONTROLS AND PROCEDURES	18
ITEM 16 – AUDIT COMMITTEE, CODE OF ETHICS, ACCOUNTANT FEES	19
A. Audit Committee Financial Expert	19
B. Code of Ethics	19
C. Auditor's Fees and Services	19
D. Exemptions from Listing Standards for Audit Committees	19
E. Purchase of Equity Securities by the Issuer and Affiliated Purchasers	19

PART III

ITEM 17 - FINANCIAL STATEMENTS	19
ITEM 18 – FINANCIAL STATEMENTS	19
ITEM 19 – EXHIBITS	36

INTRODUCTION

Creator Capital Limited is (the "Company") is a Bermuda company whose shares are trade on the NASD Over the Counter Bulletin Board in the United States of America. The Company provides in-flight gaming and entertainment software and services by developing, implementing and operating or licensing computerized video gaming and other entertainment software on, but not limited to, the aircraft of international commercial air carriers. Gaming software is marketed using the name Sky Games® and the entertainment software is marketed using the name Sky Play®.

In this Annual Report, the "Company", "CCL", "we", and "us" refer to Creator Capital Limited (unless the context otherwise requires). In this Annual Report, unless otherwise specified, all dollar amounts are expressed in US dollars.

FORWARD LOOKING STATEMENTS

This Annual Report on Form 20-F contains forward-looking statements that include, among others, statements concerning the Company's plans to implement its software products, commence generating revenue from certain of its products, expectations as to funding its capital requirements, the impact of competition, future plans and strategies, statements which include the words "believe," "expect," and "anticipate" and other statements of expectations, beliefs, anticipated developments and other matters that are not historical facts. These statements reflect the Company's views with respect to such matters. Management cautions the reader that these forward-looking statements are subject to risks and uncertainties that could cause actual events or results to materially differ from those expressed or implied by the statements.

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

No disclosure necessary.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

No disclosure necessary.

ITEM 3. KEY INFORMATION

A. Selected Financial Data

The selected financial data of the Company for the fiscal years ended December 31, 2010, 2009 and 2008 was derived from the audited consolidated financial statements of the Company included in this annual report on Form 20-F. The selected financial data of the Company for the fiscal years ended December 31, 2007 and 2006 was derived from the audited financial statements of the Company, these financial statements are not included therein.

The selected financial data should be read in conjunction with the financial statements and other financial information included elsewhere in the Annual Report.

The following table is derived from the consolidated financial statements of the Company which have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). All material numerical differences between Canadian GAAP and US GAAP, as applicable to the Company are described in the notes to the consolidated financial statements.

Under Canadian GAAP:

Year Ended December 31,	2010	2009	2008	2007	2006
	\$	\$	\$	\$	\$
Total assets	12,879	19,558	19,728	14,559	23,108
Net assets	(6,875,870)	(6,256,294)	(5,738,271)	(5,154,557)	(4,674,288)
Share capital	874,673	874,673	874,673	874,673	880,534
Revenue	32,550	59,380	55,160	63,870	53,460
Loss from operations	(114,478)	(54,186)	(158,652)	(414,374)	(176,693)
Net loss for the year	(619,576)	(518,023)	(583,714)	(800,644)	(481,930)
Basic and diluted loss per share	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
Weighted average number of common shares outstanding	87,467,288	87,467,288	87,467,288	88,809,166	88,336,654

Under US GAAP:

Year Ended December 31,	2010	2009	2008	2007	2006
	\$	\$	\$	\$	\$
Total assets	12,879	19,558	19,728	14,559	23,108
Net assets	(11,989,165)	(10,833,581)	(9,175,812)	(8,595,188)	(7,587,480)
Net loss for the year	(650,486)	(1,188,932)	(155,494)	(617,680)	(325,755)
Basic and diluted loss per share	(0.01)	(0.02)	(0.01)	(0.01)	(0.01)

Under US GAAP, for financial statement presentation purposes, the balance of the preferred shares is reflected on the balance sheet as temporary equity because the ability to issue common shares in the event of a preferred share conversion is not within the control the Company. Since the Company has no retained earnings, the dividends would be a charge to additional paid-in capital and not accumulated deficit under US GAAP. The dividend is included in the calculation of earnings (loss) per share.

Dividends

No cash dividends on common shares have been declared nor are any intended to be declared. The Company is not subject to legal restrictions respecting the payment of dividends except that they may not be paid to render the Company insolvent. Dividend policy will be based on the Company's cash resources.

The outstanding Class A Preference shares accrue an annual nine percent (9.00%) dividend, calculated and accrued monthly, payable quarterly and compounded annually. At its option, the Company may redeem the Class A Preference Shares, in whole or in part, at any time, and from time to time, at a redemption price of \$1,000 per share plus any accrued and unpaid dividends thereon. The Company is not required to redeem the Class A Preference Shares. In the event that the common shares to be issued to the preferred shareholder upon a preferred share conversion do not have a value of at least equal to the redemption value of the preferred shares held, the Company is obligated to issue additional common shares or repurchase all common shares and preferred shares previously issued to the holder for an amount equal to the redemption value of the preferred shares less any prior redemption proceeds.

B. Capitalization and Indebtedness

The Class A Preferred shares compose the majority of the total current liabilities. The balance of the accrued, and trade payables are the result of operations.

C. Reasons for the Offer and Use of Proceeds

During the year, the Company did not issue any equity securities.

D. Risk Factors

The Company is subject to a number of risks due to the nature of its business and the present stage of development of business. The following factors should be considered:

As of December 31, 2010 CCL has incurred a cumulative net loss of \$71,433,702. We anticipate generating losses for at least the next 12 months. Therefore, there is substantial doubt about our ability to continue operations in the future as a going concern as described in the Comments for US Readers on Canada – US Reporting Differences by our auditors with respect to the financial statements for the year ended December 31, 2010. Our financial statements do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts of and classification of liabilities that might be necessary in the event the Company cannot continue in existence.

Our plans to deal with this uncertainty include raising additional capital or entering into a strategic arrangement with a third party. If we cannot continue as a viable entity, our shareholders may lose some or all of their investment in our company.

CCL's product line of Sky Games® and Sky Play® are marketed to the world's airlines. CCL's future must be considered in light of the continuing financial difficulties the airline industry is experiencing globally. As a result of global financial difficulties continues, our marketing efforts may not generate additional licenses requested from airlines.

SOFTWARE

The value of CCL's product line is in the software. The Sky Games Gambling Software remains unique in the marketplace, adaptable to the various airline in-flight entertainment systems. The Sky Play Software is utilized on older platforms still being used throughout the world. As with all software, the risks lie in it becoming obsolete overnight.

COMPETITION

There are numerous entities offering similar products to CCL's Sky Play® PC Interactive Games product line. It is the increase in the availability of similar PC based entertainment games, and the lack of a dedicated marketing consultant that has reduced CCL's client base. The marketplace for the Sky Games® Interactive Gaming System, CCL's main product line, is not well established. However the Gaming Industry as a whole internationally is constantly undergoing changes, is intensely competitive, and is subject to changes in customer attitudes, morals and preferences. New products are being developed continuously by the Gaming Industry in order to satisfy customer demands. The Sky Games® Interactive Gaming System is one of those products. Changes in International Governmental regulations and laws are in a constant state of flux, and could adversely affect the ability of the Airlines to install such a system. Changes in policies of companies or banks that handle payment processing systems or credit card transactions for gaming industry could have an adverse impact on the operation of the Sky Games® System.

RELIANCE ON EMPLOYEES

CCL relies on its management and outsourced services for the business and corporate operations. None of our executive officers have sufficient technical training or experience in marketing for the products. As such, we will have to hire qualified consultants to perform these functions. Consequently our operations, earnings and ultimate financial success could suffer irreparable harm due to management's lack of experience in this industry. As a result we may have to suspend or cease operations which will result in the loss of your investment.

ABILITY TO RAISE CAPITAL

As CCL has not generated sufficient revenue to fund its operations, we will require additional funds to meet our on-going obligations and in the future. As a result, additional capital will be required to effectively support the operations and to otherwise implement our overall business strategy. The inability to obtain additional capital will restrict our ability to grow and may reduce our ability to continue to conduct business operations. If we are unable to obtain additional financing, we will likely be required to curtail our development plans which could cause the company to become dormant. Any additional equity financing may involve substantial dilution to our then existing shareholders.

ITEM 4. INFORMATION ON THE COMPANY

A. History and Development of the Company

Creator Capital Limited (the "Company" or "CCL"), formerly Interactive Entertainment Limited was incorporated pursuant to the laws of the Province of British Columbia on January 28, 1981 under the name Tu-Tahl Petro Inc. On May 10, 1990, the Company changed its name to Creator Capital Inc. The Company was reincorporated through the continuance of its corporate existence from the Province of British Columbia to the Yukon Territory on July 15, 1992. On January 23, 1995, the Company changed its name to Sky Games® International Ltd. ("SGI"). Effective February 22, 1995, the Company continued its corporate existence from the Yukon Territory to Bermuda as an exempted company under the Companies Act 1981 (Bermuda) (the "Bermuda Act"). In June 1997, the Company changed its name to Interactive Entertainment Limited following consummation of the amalgamation of the Company's wholly-owned subsidiary, SGI Holding Corporation Limited ("SGIH"), and SGH's formerly 80% owned subsidiary, then known as Interactive Entertainment Limited ("Old IEL"). This was followed immediately by an amalgamation of SGI with the survivor of the first amalgamation (the "Amalgamations"). Pursuant to a Special Resolution passed by shareholders at the September 19, 2000 Annual General Meeting, the Company changed its name to Creator Capital Limited.

IEL (Singapore) Pte. Ltd. was struck off the Singapore Register of Companies, at the Company's request, on September 23, 2000. IIL (UK) was struck off the UK Companies House Register on May 6, 2003 following an application lodged by the Company on December 10, 2002. On July 10, 2006, Sky Games® International Corporation ("SGIC") changed its name to Creator Capital (Nevada) Inc. ("CCL (US)").

The initial purpose of the Company was natural resource exploration and development. Beginning in January 1991 the Company concentrated its efforts on acquiring, developing and commercializing a gaming technology marketed as Sky Games®™ for in-flight use by international airline passengers and patrons in other non-traditional gaming venues. In pursuit of this purpose, the Company in 1991 acquired the principal assets of Nevada-based Sky Games® International, Inc. ("SGII"). In late 1994, the Company formed Old IEL as a joint venture with subsidiaries of Harrah's Entertainment, Inc., ("Harrah's"). This resulted in the transfer to Old IEL of the Company's in-flight gaming business and the execution of a management agreement with Harrah's with respect to Old IEL and other related relationships. Pursuant to such management agreement, Old IEL's operations were managed by a Harrah's subsidiary. The description herein of the Company's operations from December 30, 1994 through June 17, 1997 with respect to in-flight gaming activities refers to the operations of Old IEL under the management of this subsidiary of Harrah's.

B. Business Overview

1. Sky Games®

The Sky Games® Interactive Gaming System was developed to introduce gaming to international airline passengers. The system is designed to enable users to play a number of casino-type games from their seats by way of a built-in, color, interactive, in-seat monitor. The Company believed that an opportunity existed to introduce casino games on international air flights. In April of 1996, the Company announced the signing of contracts for the provision of gaming services to Singapore Airlines ("SIA"). The first flight with gaming was launched on June 1, 1998. A second aircraft was added in mid-October, 1998. Passenger participation was disappointing. On November 12, 1998, the Company announced that it had been unable to attract the additional capital necessary for continued development of its Sky Games® in-flight gaming business. The Company also announced that it had discontinued all operations associated with the Sky Games® product line. All employees were terminated as of November 13, 1998. Those former employees that subsequently had been retained on a part-time contract basis to continue operations and support the Sky Play® product, are no longer associated with CCL. Two former employees, through their corporate entity, eFlyte, had been contracted to attend to the Sky Play® business. eFlyte terminated its contract with CCL as of April 22, 2001. The technical aspect of the business is currently contracted outside the Company as necessary.

On April 30, 1997, the Company entered into a Consulting Agreement with James P Grymyr, whereby he would provide consulting services to the Company from time to time, as requested by the Company. Under the terms of this agreement, the Company issued 586,077 shares of common stock to Mr. Grymyr as consideration for all such consulting services, both past and future. During March, 2001, Mr. Grymyr informed the Company that he did not provide any consulting services to the Company. Furthermore, he indicated that the agreement was never operational. A review of the Company's records, and conversations with previous management did not reveal any evidence to the contrary. Therefore, Mr. Grymyr offered to annul the Consulting Agreement and return the shares to the Company for cancellation. The Company accepted this offer under the terms of the Annulment Agreement dated June 20, 2001. Mr. Grymyr has completed his undertakings to the Company. The Company cancelled the 586,077 shares.

2. Sky Play®

On January 13, 1998, CCL completed the acquisition of all the outstanding capital stock of Inflight Interactive Limited ("IIL") in exchange for 500,000 shares of the Company's \$.01 par value common stock (the "Common Stock"). IIL is a United Kingdom developer and provider of amusement games to the airline industry. The acquisition was accounted for using the purchase method. The games are marketed under the name Sky Play®. As at December 31, 2010, the Sky Play® games were operating on Sri Lankan Emirates Airways.

3. Investment - China Lotteries

On September 22, 2001, the Company entered into an Investment agreement with Trade Watch Consultants Limited (formerly Asset China Investments Ltd.) ("TWC"). TWC holds 70% of the outstanding shares of Beacon Hill Enterprises Ltd. Beacon Hill holds the license for and operates one of two major Soccer Betting Lottery locations in Guangzhou City, Guangdong Province, People's Republic of China. In exchange for 1,500,000 shares of the Company's Common Stock, and an investment of up to HK\$1,500,000 (US\$ 180,050.00), the Company receives 80% of the proceeds of the business profits generated from Asset China's sports betting and lottery assets. To date, the Company has forwarded HK\$900,000.00 (US\$115,030.00). To date, no business profits have been generated nor distributed. No further funds will be forwarded and the shares will not be distributed until there are business profits generated and distributed.

On November 1, 2001, the Company entered into an Investment agreement with Lee John Associates ("LJA"). LJA is engaged in the business of owning the licenses for and operating several lottery locations in Guangzhou City, Guangdong Province, Peoples' Republic of China. In exchange for 500,000 shares of the Company's common stock, the Company shall receive 80% of the proceeds of the business profits generated from Lee John's Lottery businesses.

As of August 2003, CCL had not yet received any funds under the agreements with TWC and LJA. Therefore, upon detailed re-evaluation and analysis all parties mutually agreed to amend the original agreements. On September 1, 2003, CCL amended these two agreements as described below:

The original agreement with TWC required a total investment of US\$180,050.00 (HK\$1,500,000) and the issuance of 1,500,000 CCL common shares to TWC. To date, CCL has funded US\$115,000.00, but has not issued any common shares. Initially, both TWC and Beacon Hill Enterprises Ltd. ("BHE"), agreed that TWC's 70% ownership in Beacon Hill would be reduced to 49% (due to the partial completion of the original funding of US\$180,050.00). The agreement was then finalized as a Licensing arrangement, whereby the \$115,000 advanced was deemed to a one-time, full payment of the license fee to allow TWC to sell lottery tickets through a dedicated website www.worldwidelotteries-china.com. The 1,500,000 CCL common shares will not be issued as a part of the amended arrangement.

The original agreement with LJA required CCL to issue 500,000 CCL common shares in exchange for 80% of LJA's business profits generated from its seven sales locations within Guangdong Province, in the People's Republic of China. As of September 1, 2003, CCL had not received any funds from LJA, nor had CCL issued the 500,000 common shares. This agreement was cancelled on September 1, 2003.

As of December 31, 2003, CCL had completed the development of the website (www.worldwidelotteries-china.com), which is directed towards the international marketing and sales of the Soccer Betting Lottery. During the 3rd quarter of 2003, approval was obtained and an agreement was reached with a credit card payment processing provider. Subsequently, the provider was unable to provide the required services due to an internal issue. In the 4th quarter of 2003, agreement was reached with NETeller to provide payment processing services.

As of December 31, 2004, the Company was unable to appoint a new Chinese agent. This resulted in the lapsing of the licensing agreement. The license fee paid was written off. The online purchasing and processing software developed could be integrated into the future applications of Sky Games.

On September 19, 2003, CCL's former wholly owned subsidiary, Trade Watch Consultants Ltd. ("TWC") of the British Virgin Islands, entered into a Licensing Agreement with Action Poker Gaming Inc. ("APG"), a wholly owned subsidiary of Las Vegas From Home.com Entertainment. APG provides Gaming Software designed for the on-line gaming industry. TWC's website, www.worldwidegaming-asia.com, will feature Asian Themed games such as "Chinese Poker", "Pan" and "Big 2". A percentage of gaming revenue realized from the website is payable to Action Poker Gaming Inc. on a monthly basis.

As at the September 30, 2004 Quarter the website content and design had not been forwarded to CCL for approval. APG did not affect the steps to activate the services under the Agreement, CCL deemed the Agreement in default and withdrew.

4. Failed Acquisition of ETV Channels On Demand Inc.

By a share purchase agreement dated March 6, 2006 the Company was to acquire all of the outstanding common shares of ETV Channels on Demand, Inc. ("ETV"), a Panama company, in exchange for 50,000,000 common shares of the Company and one share purchase warrant entitling the holder to acquire 1,000,000 common shares of the Company at \$1.00 per share from August 15, 2006 to February 15, 2008. These securities were to be issued on an earn-out basis as to one share and a proportionate amount of warrants for each \$1.00 of gross revenues realized through the ETV business. The terms of the Share Purchase Agreement were not fulfilled.

On November 17, 2006, the Company deemed the Agreement null and void due to failure of the Vendor to fulfill the terms. A finder's fee of 2,500,000 common shares to be earned-out based upon the same formula as the acquisition securities were to be issued. With the failure of the Share Purchase Agreement, the finder's fee also became null and void.

5. Newmediacom

On November 30, 2006, CCL announced the execution of a Letter of Intent with Newmediacom Limited ("NMC"), of the United Kingdom, for the purpose of negotiating rights to certain services related to the provision of live, streamed, and downloadable video services to mobile devices and other video distribution and receiving technologies.

Newmediacom is one of five companies, which comprise the Phones International Group founded in 1998 by Peter Jones. The Group provides a portfolio of core business offerings combining mobile logistics, distribution and fulfillment, configuration, content products and delivery and other related services within the mobile and wireless industries. Newmediacom was acquired by the Phones International Group early in 2004. The company provides broadcast quality services and solutions that can be utilized in the mobile phone arena. As at December 31, 2006 the Letter of Intent had not yet resulted in a final Agreement. Attempts to progress beyond the Letter of Intent proved futile. CCL deemed the relationship to be at an end.

The Product

1. Sky Play®

Sky Play® PC Interactive Games offers airlines the choice of up to 19 amusement games. Unlike Nintendo-style games, which are designed to keep the player challenged and interested over long periods of time, and which generally require player skill developed over a period of time, CCL has selected and developed the Sky Play® amusement games which have very simple rules, are already well known or easy to learn, and are very simple to play. Games are licensed to airlines for a monthly license fee on a per game, per aircraft basis.

The U.S. Patent and Trademark Office granted CCL the following federal registrations:

November 5, 2002	"Sky Play®" Logo and name
July 8, 2003	"Sky Play® International" "We Make Time Fly" and Design

2. Sky Games®

The U.S. Patent and Trademark Office granted CCL the following federal registrations:

April 14, 1998	"Sky Games®" logo and the slogan "We Make Time Fly"
August 26, 2003	"Sky Games® International" "We Make Time Fly" and Design
February 21, 2006	"Casino Class"
July 4, 2006	"Casino Class" "We Make Time Fly" and Design
February 24, 2006	"Sky Casinos International" "We Make time Fly" and Design

The Industry

According to Boeing Company's 2010-2029 Summary Outlook (CMO) issued in 2009 annualized world GDP is forecast to grow at an average of 3.2% per year over the next 20 years beginning in 2011, an increase of 0.1%. Boeing also forecasts a increase of 1.2% in passenger traffic growth to 5.3% annually over the next 20 years. The report noted that, the total market potential for new commercial airplanes is 36,000 by 2029, worth \$3.6 trillion in 2010 US Dollars.

The fastest growing market will be for twin-aisle airplanes. The twin-aisle fleet will grow from 3,500 airplanes in operation today to 8,260 airplanes in 2029. In 20 years, much of the in-service fleet will be newer aircraft, such as the Boeing 787 and 777, which offer more passenger comfort, improved efficiency, and better environmental performance than the airplanes they replace.

There are 11,580 single-aisle aircraft in operation around the world, representing 61 percent of the total jet fleet. The single-aisle fleet is forecast to more than double, reaching 25,000 airplanes or 69 percent of the total fleet by 2029, largely reflecting the rapid expansion of air services in Asia, the rise of intraregional air travel in emerging economies, and the growth and geographic expansion of the low-cost-carrier model.

CCL believes these forecasts represent a substantial market for IFE systems and in-flight content over the long-term.

Boeing has observed the resilience that global airline markets have shown over time is reflected in average annual passenger traffic growth of 4.9% and air cargo growth of 5.4% over the past 20 years. This growth was founded on world economic growth of 3.2%, and further stimulated by liberalization of market regulations in many countries. Looking ahead over the next 20 years, the world economy is set to grow at 3.2%. From 2008-2029, passenger travel will increase grow at an average of 4.9% and cargo at an average of 5.4%

Looking ahead, the Asia-Pacific (excluding China), within-China, and The Middle East to Asia Pacific regions' traffic are growing at the fastest rates of 7.1% and 7.9% and 7.5% respectively. Boeing's CMO 2010 predicts that the Asia-Pacific (including within China) will become the largest internal market over the next 20 years, overtaking the market within North America. Markets in Asia-Pacific have powerful combinations of large economies, rapid economic growth, and liberalizing markets. These figures are a positive factor in CCL's continuing strategy for initially targeting airlines in the Asia Pacific region.

The introduction and acceptance of portable (non embedded or installed) IFE units is growing steadily. The positive impact of these portable IFE units/systems is the trend towards lighter, less expensive IFE architecture, with the focus of such architecture being the individual seating area of each passenger. Boeing has found that there is a shifting balance toward smaller twin-aisle airplanes in the future is driven by passengers who prefer to travel directly between their points of origin and destination.

Medium, and long-range markets are primarily served with twin-aisle and large airplanes. The Airlines are able to provide more economical service on an increasing number of these routes through the improvement in operating economics of each new generation of airplane. However, scheduling constraints and market regulations in a few of the world's intercontinental markets limit the number of possible flights any one airline can offer. On these routes and those with particularly high demand, airplanes of 747 size and larger will be required. Good examples of such routes would be Singapore or Hong Kong to London Heathrow.

Regional traffic trends are an important factor in CCL's marketing strategies. According to the Boeing CMO annual passenger traffic will grow by 7.1% in the Asia Pacific region; 6.0% in the Middle East; 2.8% within North America; 4.1% within Europe; 7.1% within Latin America; 5.7% in Africa. IMDC also states that key growth markets will be China and India. However, the longer haul, twin aisle market will remain the focus for CCL's Sky Games.

The impact of the health of the world wide economy on the airline industry is multifold – the drop in the global gross domestic product, the volatility of the oil pricing, currency fluctuations, availability of financing and its costs. In 2009 global passenger capacity was cut by 2%, unprofitable routes were cut, and flight frequency reduced. Airlines have sought to reduce operating costs by replacing the fuel hungry older generation airplane.

An observation by Sally Gethin in her March 2007 article in *Aircraft Interiors International* "All bets are off?" confirms CCL's research and conclusions regarding the potential of Gaming on International airlines: She states that gaming is a numbers game: *"Gambling over existing airline IFE systems could provide phenomenal returns for airlines – higher even than existing games offered on board according to research conducted by IMDC, which provides forecasting and surveys for airlines and IFE manufacturers."*

Gethin also quotes the 1995 Department of Transportation report to the US Congress, which CCL has already utilized in its research and quoted in many of its forecasts. The report states that potential earnings of US\$1 million per aircraft per annum are indeed possible. Any airline with an Atlantic and Pacific fleet numbering 267 aircraft (average size of US international and national airline fleets at the time) could therefore recoup a gross of US\$267 million a year.

Gethin also mentions CCL in the article under its former name. "During the 1990s, a company called IEL offered low stakes in-flight gambling to the international airline business and worked with Singapore Airlines to install the necessary software. This was short-lived due to incompatibility issues with the software and the IFE hardware, which impacted upon reliability." Such incompatibilities no longer exist. Technology has improved to the point of offering not only much more sophisticated, embedded hardware, but also the very viable option of portable units. Such portability echoes of CCL's initial concept of a portable gaming device, which could be issued on the aircraft in exactly the same manner as the portable IMS Pea in the Pod and the DigePlayers are issued today.

Competition

There are currently four companies supplying the in-flight interactive PC games marketplace: Creator Capital, DTI, Nintendo, and Western Outdoor Interactive. CCL is currently a distant fourth in the industry.

IMDC reports that there are three main types of interactive software packages offered by games suppliers; games; gambling software, and educational software. Not all suppliers supply in all three areas. CCL currently offers games and gambling software (which are not currently installed on any aircraft).

Market and Marketing

In the very competitive airline market, airlines are seeking a distinctive, competitive edge to attract and retain paying customers. Entertainment and service systems form a part of the airlines' current business strategy. CCL believes that the principal benefit of its product to the airlines is the ability to enhance entertainment offerings to passengers. IFE systems are capital intensive; however, providing passenger service and comfort, especially for first and business class travelers, is a major area of competition for airlines. The target market for Sky Play® has been domestic and foreign airlines, which have committed to the purchase of, or already have installed IFE systems.

CCL's primary target market has been Asian and Pacific Rim airlines whose passengers, with certain exceptions, generally have a broad cultural acceptance of gaming. The Company also believes that the Latin American markets also hold significant potential.

CCL believes that the principal benefits of its product to the airlines will be passenger satisfaction and airline participation in a potential alternate "non-ticket" revenue stream. IFE systems are capital intensive; however, providing passenger service and comfort, especially for first and business class travelers, is a major area of competition for airlines. The Company believes that new methods of increasing revenues while providing a high level of service will be seriously considered by the airlines; however, there can be no assurance that in-flight gaming will be among the alternatives considered by airlines. Although the system is designed for gaming using currency, the system could be adapted to "pay-for-play" mode in those circumstances where gaming utilizing currency is not legal and that a system utilizing frequent flyer credits and other rewards can be integrated as part of the gaming program.

CCL expects to derive its income from a split of gaming revenues with the airline. The Company does not anticipate selling its gaming products in order to generate revenue. Airlines will receive a percentage of net revenue generated by Sky Games® on their respective flights. Passenger payouts and certain direct operating costs will be deducted from revenue and the "win" will be split on a negotiated basis. Airlines have utilized similar revenue-sharing arrangement with other product/service providers, such as in-flight communication companies (e.g. GTE Airfone). CCL would provide certain training, banking, accounting and administrative functions. The airline will provide the aircraft, the equipment, the passengers and in-flight personnel.

CCL is currently reviewing its future strategies in the airline market by researching and evaluating the process of developing several new games for the Sky Play® PC Interactive Games Catalogue, while updating some of the current games. This will enable CCL to offer current client fresh material, while affording an opportunity to re-visit previous clients and potential new clients. CCL is also currently re-evaluating and redesigning the Sky Games® In-flight Gaming System in order to ensure its smooth integration in to the newer, more sophisticated IFE hardware platforms being developed and introduced to the Airline Industry today.

Manufacturing

As a software producer and operator, the Company has no manufacturing capability. CCL's software is designed to interface with in-cabin hardware, including onboard computers, file servers, distribution and communication systems, manufactured by various suppliers for the airlines.

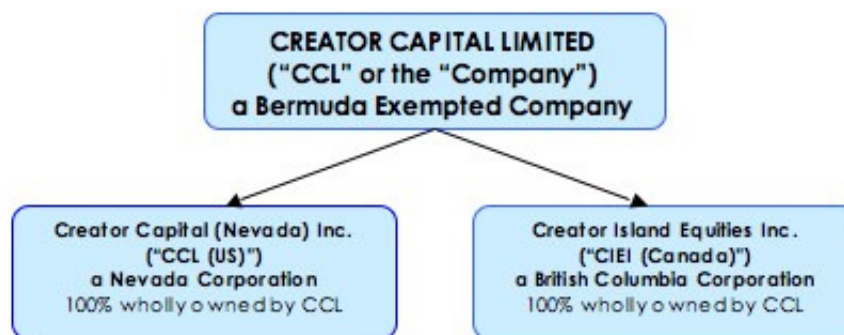
Major Customers

The Company's Sky Play® customers included Japan Air Lines, and Sri Lankan Airways.

During the first quarter of 2002, American Airlines ceased to be a client due to budgetary restraints. Malaysia Airlines ceased to be a client as they terminated their agreement with their contracted IFE Inflight content provider who was providing them with CCL Sky Play® games. Continental Airlines also ceased to be a client at the end of the second quarter of 2002. During 2004 Air China decided to use the games provided with their new in-flight entertainment hardware. During 2005 Emirates Air also decided to use the games provide with their new in-flight entertainment hardware. During the last quarter of 2009 Japan Air Lines entered Bankruptcy. During the first quarter of 2010 they informed the Company of airplane retirements resulting in a reduced demand for Sky Play. During the last quarter of 2010 they informed the Company the last airplanes having the Sky Play games installed were retired.

C. ORGANIZATIONAL STRUCTURE

The following chart outlines CCL's corporate structure:



Currently, CCL's 100% wholly owned subsidiaries, Creator Capital (Nevada), Inc. and CIEI (Canada), are inactive.

D. PROPERTY, PLANT AND EQUIPMENT

The Company's leased executive office is located at Floor Six, 65 Front Street, Hamilton HM12, Bermuda

ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

A. OPERATING RESULTS

Year Ended December 31, 2010 and 2009

During the year ended December 31, 2010, the Company recorded revenue of \$32,550 compared to \$59,380 during the year ended December 31, 2009. Subsequent to their declaration of Bankruptcy, JALAX/Japan Airlines retired their older airplanes. During the last quarter of the year ended December 31, 2010, the last of their airplanes with the Sky Play games installed were retired. They are no longer a client.

Preferred stock dividends of \$505,098 for the year ended December 31, 2010 represented the 9% annual dividend on preferred shares plus the compounded portion on unpaid balance carried forward. During 2009, the Company recorded \$463,837 in dividends.

General and administrative expenses for 2010 were \$81,062, as compared to \$57,406 for 2009. During the year the Company conducted the 2009 and 2010 Annual General Meetings, resulting in two years worth of costs, including extra transfer agent fees. With the appointment of Meridian Fiduciary Services as the Company's resident agent and resident offices in Bermuda, corporate administrative expenses rose. Clarifications and the refilling of the December 31, 2009 Form 20F with the SEC generated additional preparation and filing fees.

Professional fees are comprised of audit and legal fees which totaled \$23,966 for 2010 compared with \$14,160 for 2009. The drop in the audit fees for 2010 was offset by an increase in legal fees. Other corporate legal matters cost \$12,846 for the year.

Year Ended December 31, 2009 and 2008

During the year ended December 31, 2009, the Company recorded revenue of \$59,380 compared to \$55,160 during the year ended December 31, 2008

Preferred stock dividends of \$463,837 for the year ended December 31, 2009 represented the 9% annual dividend on preferred shares plus the compounded portion on unpaid balance carry forwarded from prior year. During 2008, the Company recorded \$425,131 in dividends.

General and administrative expenses for 2009 were \$57,406, as compared to \$67,617 for 2008.

The legal defense fees incurred against the frivolous lawsuit in Texas has cost the Company a total of \$58,140 in legal fees. Professional fees for 2009 were \$14,160, down from 2008's \$104,195 and compared to the 2007 cost of \$26,001. On March 9, 2009 the lawsuit was called for trial before a jury. A verdict was returned fully in favor of the Company. Unfortunately, under the terms of the judgment and the Texas state laws, the Company cannot seek recovery of these legal costs. The continued maintenance of the long term registrations and various business trademarks cost \$3,215 for the year. Other corporate legal matters cost \$5,756.

Year Ended December 31, 2008 and 2007

During the year ended December 31, 2008, the Company recorded revenue of \$55,160 compared to \$63,870 during the year ended December 31, 2007. The reduction in revenue for the year was primarily due to the reduction of Sky Play[®] games were installed

Preferred stock dividends of \$425,131 for the year ended December 31, 2008 represented the 9% annual dividend on preferred shares plus the compounded portion on unpaid balance carry forwarded from prior year. During 2007, the Company recorded \$390,028 in dividends.

Consulting fees decreased to \$42,000 during the year ended December 31, 2008 from \$284,025 from the year ended December 31, 2007 primarily due to the Company not granting stock options during the year.

General and administrative expenses for 2008 were \$67,617, as compared to \$168,218 for 2007. The majority of the 2007 figure was the result of the fair value of stock options granted to administrative staff. As the Company did not grant stock options during the year, this resulted in reduction of general and administrative expenses for the year.

The legal defense fees incurred against the frivolous lawsuit in Texas has caused the legal expenditures for the year to increase to \$59,743, compared to the 2007 cost of \$26,001. The legal defense costs for this suit now totals \$50,744. The continued maintenance of the long term registrations and various business trademarks cost \$5,256 for the year.

During the year ended December 31, 2008, the expense recovery was \$nil compared to \$3,514 in 2007.

Year Ended December 31, 2007 and December 31, 2006

During the year ended December 31, 2007, the Company recorded revenue of \$63,780 compared to \$53,460 in 2006. The increase in revenue was primarily due to the slight increase in number of Sky Play[®] games installed.

Preferred stock dividends of \$390,028 for the year ended December 31, 2007 represented the 9% annual dividend on preferred shares plus the compounded portion on unpaid balance carry forwarded from prior year. During 2006, the Company recorded \$357,824 in dividends.

Consulting expenses increased by \$231,996 from \$52,029 in 2006 to \$284,025 in 2007. This substantial increase reflected the allocation of the fair value of the stock option grant of \$242,025 during the 2007 year. Removing this influence on the 2007 figure yielded a total for the year of \$42,000, which is a decrease over the 2006 year of \$10,029.

Depreciation and amortization expenses decreased to zero with the writing off the impaired website asset.

General and administrative expenses increased by \$36,820 to \$168,218 with the allocation of the fair value of the stock option grant of \$78,370 during the 2007 year. Removing this influence from the 2007 amounts yielded a total for the year of \$89,848, which is a decrease over the 2006 year of \$41,550.

The 2007 total legal cost was \$26,001, an increase of \$18,847 over the 2006 cost of \$7,154. Of this \$21,535 was incurred with the lawsuit in Texas. The balance of \$4,466 is attributed to normal corporate costs and the continued maintenance of the long term registrations and various business trademarks

During 2006, \$46,828 was received for the note receivable that was written off several years ago. \$8,083 of accumulated interest on the note receivable was also received.

During the year ended December 31, 2007, the Company had \$nil in impairment of equipment compared to \$39,572 in 2006. The impairment of \$39,572 in 2006 was due to the obsolescence of the website asset.

B. LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2010, the Company had cash on hand of \$9,786 and a working capital deficit of \$6,875,504 (2009 \$6,256,294). Of this, \$4,055,731 (2009 \$3,550,663) was for dividends payable that have accrued over several fiscal periods on the preferred shares. The Company is financing its operations through accounts payable and loans payable. The Company needs to raise additional capital. The Company is trying to raise funds through debt/equity financing. However, there is no assurance of additional funding being available.

During the year ended December 31, 2010, the Company received loan proceeds of \$48,810 (Cdn\$50,000) compared to \$23,435 for the year ended December 31, 2009.

Critical Accounting Policies

The preparation of the Company's financial statements requires management to make estimates and assumptions regarding future events. These estimates and assumptions affect the reported amounts of certain assets and liabilities, and disclosure of contingent liabilities.

Significant areas requiring the use of management estimates include the variables used in determining stock-based compensation. These estimates are based on management's best judgment. Factors that could affect these estimates include option term and expected volatility.

Management has made significant assumptions and estimates determining the fair market value of stock-based compensation granted to employees and non-employees. These estimates have an effect on the stock-based compensation expense recognized and the contributed surplus on the Company's balance sheet. The value of each option award is estimated on the date of grant using the Black-Scholes option-pricing model. The Black-Scholes option-pricing model requires the input of subjective assumptions, including the expected term of the option award and stock price volatility. The expected term of options granted for the purposes of the Black-Scholes calculation is the term of the award since all grants are to non-employees. These estimates involve inherent uncertainties and the application of management judgment.

Recent Accounting Pronouncements

In January 2010, the FASB issued an amendment to ASC 820, "Fair Value Measurements and Disclosures", to require reporting entities to separately disclose the amounts and business rationale for significant transfers in and out of Level 1 and Level 2 fair value measurements and separately present information regarding purchase, sale, issuance, and settlement of Level 3 fair value measures on a gross basis. The adoption of this standard on January 1, 2010, with the exception of disclosures regarding the purchase, sale, issuance, and settlement of Level 3 fair value measures which are effective for fiscal years beginning after December 15, 2010, did not have a material effect on the Company's consolidated financial statements. The adoption of the remainder of the standard is not expected to have a material effect on the Company's consolidated financial statements.

The Company has implemented all new accounting pronouncements that are in effect and that may impact its financial statements and does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its consolidated financial statements.

C. RESEARCH AND DEVELOPMENT, PATENTS AND LICENSES ETC.

1. Sky Play®

The U.S. Patent and Trademark Office granted CCL the following federal registrations:

November 5 2002	"Sky Play®" Logo and name
July 8, 2003	"Sky Play® International" "We Make Time Fly" and Design

2. Sky Games®

The U.S. Patent and Trademark Office granted CCL the following federal registrations:

April 14, 1998	"Sky Games®" logo and the slogan "We Make Time Fly"
August 26, 2003	"Sky Games® International" "We Make Time Fly" and Design
February 21, 2006	"Casino Class"
July 4, 2006	"Casino Class" "We Make Time Fly" and Design
February 24, 2006	"Sky Casinos International" "We Make Time Fly" and Design

D. TREND INFORMATION

The marketplace for the Company's main product line is not well established. However, the Gaming Industry as a whole internationally is constantly undergoing changes, is intensely competitive and is subject to changes in customer attitudes, morals and preferences. New products are being developed continuously by the Gaming Industry in order to satisfy customer demands. The Sky Games® Interactive Gaming System is one of those products. Changes in International Governmental regulations and laws are in a constant state of flux, and could adversely affect the ability of the Airlines to install such a system. Changes in policies of companies or banks that handle payment processing systems or credit card transactions for gaming industry could have an adverse impact on the operation of the Sky Games® System

E. OFF-BALANCE SHEET ARRANGEMENTS

Not Applicable

F. TABULAR DISCLOSURE OF CONTRACTUAL OBLIGATIONS

Not Applicable

G. SAFE HARBOUR

All financial information and statements provided have been fairly represented in accordance with U.S. generally accepted accounting principles.

ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES**A. DIRECTORS AND SENIOR MANAGEMENT**

Name	Position	Principal Occupation	Term of Office
Anthony P Clements Age 65	Director	Investment Banker	Director 1992-Present
Deborah Fortescue-Merrin Age 55	President & C.E.O. Director	President of CCL President of North American Medical Services Inc.	Director 1995-1997 Director 1999-Present President 1999-Present
Anastasia Kostoff-Mann Age 63	Vice-President Director	Founder and Chairman Corniche Group of Companies	Director 1993-1996 Director 1999-Present

ANTHONY P. CLEMENTS has been a director of the Company since March of 1992. Mr. Clements is currently Head of Corporate Finance at ODL Securities. He began his career specializing in natural resources, having gained a B.Sc. in Economics followed by a post-graduate course in accountancy. He joined the Electricity Pension Fund in 1970 as Senior Investment Analyst before moving on in 1973 to the Post Office Pension Fund, latterly renamed Postel and now Hermes. As an Investment Manager, Tony spent several years managing Postel's resource portfolio before moving on to manage billion dollar North American portfolio. In 1987 Mr. Clements moved over to the 'sales' side of the investment industry, becoming involved with corporate finance and North American resource issues in particular. Prior to taking up his current position with ODL Securities, Tony joined T. Hoare and Co, renamed Canaccord, in 1994.

DEBORAH FORTESCUE-MERRIN has been a director of the Company since September 10, 1999, and she was previously a director of the Company from October 1995 to October 1997. Mrs. Merrin is Vice-President of J. Perot Financial Corp., a private investment management firm located in Vancouver, British Columbia, Canada. Previous to joining J. Perot Financial, Mrs. Merrin was a securities broker for twelve years, and worked in the area of corporate finance from 1989-1992, specializing in special situations concerning medical issues. Mrs. Merrin is also the President and a Director of North American Medical Services Inc. which trades on the Toronto Venture Exchange.

ANASTASIA KOSTOFF-MANN has been a director since September 10, 1999, and she was previously a director of the Company until September 1996. Ms Mann has over 30 years experience in the hotel, sales and marketing, and travel industry. She is the founder and chairman of the Corniche Group of Companies, overseeing all aspects of travel and meeting management for corporate accounts. Ms Mann was the first female corporate sales manager for Hilton Hotels corporations based in Los Angeles, Director of Sales and Marketing at the Beverly Wilshire Hotel, Beverly Hills, California, and the first US President of Operations, Mark Allen Travel, now the entertainment division of American Express. She is a lifetime director and former President and Chairman of the International Travel & Tourism Research Association (TTRA). Ms Mann is a founding member of the California Travel & Tourism Commission, where she currently serves as Commissioner and sits on the Executive Committee. She also sits on the council of the Woodrow Wilson International Center in Washington D.C.

B. COMPENSATION

All of the directors of the Company are reimbursed for out-of-pocket expenses. The directors of the Company receive no other compensation.

The following table sets forth all compensation for services in all capacities to the Company for the three most recently completed fiscal years in respect of each of the individuals who served as the Chief Executive Officer during the last completed fiscal year and those individuals who were, as of December 31, 2010, the executive officers of the Company whose individual total compensation for the most recently completed financial year exceeded \$100,000 (collectively, the "Named Executive Officers") including any individual who would have qualified as a Named Executive Officer but for the fact that individual was not serving as such an Officer at the end of the most recently completed financial year:

SUMMARY COMPENSATION TABLE

Name and Principal Position	Fiscal Year Ended	Annual Compensation			Long Term Compensation Awards	
		Consulting fees (\$)	Bonus (\$)	Other Annual Compensation (\$)	Restricted Stock Awards (#)	Securities Underlying Options (#)
Anthony Clements (Director)	12/31/10	Nil	Nil	Nil	Nil	Nil
	12/31/09	Nil	Nil	Nil	Nil	Nil
	12/31/08	Nil	Nil	Nil	Nil	Nil
Deborah Fortescue-Merrin Chairman	12/31/10	\$42,000*	Nil	Nil	Nil	Nil
	12/31/09	\$42,000*	Nil	Nil	Nil	Nil
	12/31/08	\$42,000*	Nil	Nil	Nil	Nil
Anastasia Mann (Director)	12/31/10	Nil	Nil	Nil	Nil	Nil
	12/31/09	Nil	Nil	Nil	Nil	Nil
	12/31/08	Nil	Nil	Nil	Nil	Nil

*by way of related consulting entity

As at December 31, 2010 there were at total of 6,950,000 outstanding options to purchase common shares granted to the directors. These options have an exercise price of \$0.25 per common share expiring on April 6, 2012.

TOTAL OUTSTANDING OPTIONS GRANTED TO DIRECTORS

Name	No of Securities Underlying Options Granted (#)	Exercise or Base Price (\$/share)	Expiration Date	Potential Realizable Value At Assumed Annual Rates of Stock Price Appreciation for Option Term	
				5%	10%
Anthony Clements	1,000,000(1)	\$0.25	April 6, 2012	xx	xx
Deborah Merrin	1,500,000(1)	\$0.25	April 6, 2012	xx	xx
Anastasia Mann	1,000,000(1)	\$0.25	April 6, 2012	xx	xx

(1) Options granted to each director of the Company under a Stock Option Agreement

C. BOARD PRACTICES**Election of Directors and Terms of Service**

As of the date of this Document, The Board of Directors is currently comprised of three members, including the Chairman and CEO. Directors are elected annually by an ordinary resolution at the Annual General Meeting of Shareholders. Each director is elected for a term of one year, and may be re-elected annually for an additional one year term by the shareholders. There are no limits as to how long any individual director may serve on the Board.

Service Contracts

CCL does not currently have any service contracts or any other contracts with any of the members of the Board of Directors.

Audit Committee

The Audit Committee of the Board currently consists of Deborah Fortescue-Merrin and Anthony Clements. The principal functions of the Audit Committee are to make recommendations to the Board regarding; (i) its independent auditors to be nominated for election by the shareholders; (ii) to review the independence of such auditors; (iii) to approve the scope of the annual audit activities of the independent auditors; (iv) to approve the audit fee payable to the independent auditors; (v) and to review such audit results. The audit committee did not hold any meetings during the fiscal year ended December 31, 2010.

Compensation Committee

The Compensation Committee currently consists of Anastasia Kostoff-Mann, and Anthony Clements. The Compensation Committee did not hold any meetings during the fiscal year ended December 31, 2010. For information on the duties and actions of the Compensation Committee, see "Report on Compensation".

Report on Compensation

Deborah Fortescue-Merrin served as President and Chairman of CCL in the fiscal year 2010. She has not been compensated for the years ended December 31, 2008, 2009 and 2010. She was granted 1,500,000 options exercisable at \$0.25 per share during 2007.

D. EMPLOYEES

Currently, CCL does not employ any personnel. Corporate and business operations are handled by outsourced providers.

E. SHARE OWNERSHIP

As of December 31, 2010 based on information supplied to the Company, CCL's directors and executive officers as a group may be deemed to own beneficially (including shares purchased upon exercise of stock options and warrants, exercisable within 60 days) 3.92% of the outstanding shares of common stock. To the knowledge of the directors and officers of the Company, the following directors and officers of the Company and owners of five percent (or more) of the outstanding common stock (see Item 7 Major Shareholders and Related Party Transactions below) beneficially own the shares of common stock set forth below.

Name	Amount and Nature of Beneficial Ownership	Percent of Class (1)
Anthony P. Clements (2)	1,000,000 – Options	1.14%
Deborah Fortescue-Merrin (3)	1,500,000 – Options 48,500 – Direct	1.77%
Anastasia Kostoff-Mann (4)	1,000,000 – Options	1.14%

- (1) Percent of class is determined by dividing the number of shares beneficially owned by the outstanding number of shares of the Company, and increased by options outstanding (which are currently exercisable) for the respective individuals;
- (2) Includes, options for 1,000,000 under the April 6, 2007 Stock Option Agreement.
- (3) Does not include 1,406,870 shares of Common Stock held by a charitable foundation (Missy Foundation) of which Deborah Fortescue-Merrin is a director. Includes options for 1,500,000 under the April 6, 2007 Stock Option Agreement.
- (4) Includes options for 1,000,000 under the April 6, 2007 Stock Option Agreement.

ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

A. MAJOR SHAREHOLDERS

As of December 31, 2010, there were 223 shareholders of record in the United States holding a total of 31,928,168 of the 87,467,288 outstanding common shares of the Company. The following persons or corporations beneficially owned directly or indirectly, or exercised control of greater than 5% of the issued and outstanding shares of the Company.

Name of Shareholders and Jurisdiction	Number of Shares Owned	Percentage of Total Outstanding*
CEDE & CO – United States**	11,294,984	12.86%
HARRAH'S INTERACTIVE INVESTMENT COMPANY	6,886,915	7.87%
Jiang Man Securities Ltd., Hong Kong	4,559,958	5.21%
Pebble Mill Investments Ltd., Hong Kong	4,413,560	5.05%
Galleria Ventures Inc., Grenada	4,398,740	5.03%

* Based upon 87,467,288 issued and outstanding common shares of the Company as of December 31, 2009

** Depository Trust Company holds shares on behalf of the beneficial owners whose identity is not known to the Company.

To the best of the Company's knowledge, there are no arrangements or agreements which would result in a change of control of the Company at a future date.

B. RELATED PARTY TRANSACTIONS

During the year ended December 31, 2010, the Company incurred consulting fees of \$42,000 (2009 - \$42,000; 2008 - \$42,000) to a non-related company which will pay the fees to the President of the Company.

As at December 31, 2010, included in accounts payable and accrued liabilities is \$72,956 (2009 – \$72,414) owing to a company controlled by the President of the Company for unpaid fees and expenses.

As at December 31, 2010, the Company owes \$5,000 (2009 - \$5,000) to a company controlled by the President of the Company for cash advances which bear interest at 10% per annum, is unsecured, and due on January 1, 2012.

All of the above transactions have been in the normal course of operations and have been recorded at their exchange amounts, which are the amounts agreed upon by the transacting parties.

C. INTERESTS OF EXPERTS AND COUNSEL

Not applicable

ITEM 8. FINANCIAL INFORMATION

A. CONSOLIDATED STATEMENTS AND OTHER FINANCIAL INFORMATION

The Company's audited consolidated financial statements for the year ended December 31, 2010 are included in Item 17 of this Annual Report.

These financial statements have been prepared in accordance with generally accepted accounting principles applicable to a going concern, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. Realization values may be substantially different from carrying values as shown and these financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. At December 31, 2010, the Company had not yet achieved profitable operations, has accumulated losses of \$71,462,336 since its inception and expects to incur further losses in the development of its business, all of which casts substantial doubt about the Company's ability to continue as a going concern. The Company will require additional financing in order to meet its ongoing levels of corporate overhead and discharge its liabilities as they come due. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future, particularly in light of current global economic conditions. Accordingly, these financial statements do not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern. If the going concern assumption was not used then the adjustments required to report the Company's assets and liabilities on a liquidation basis could be material to these financial statements.

B. LEGAL PROCEEDINGS;

The Directors and the management of the Company do not know of any material, active or pending, legal proceedings against them; nor is the Company involved as a plaintiff in any material proceeding or pending litigation.

The Directors and the management of the Company know of no active or pending proceedings against anyone that might materially adversely affect an interest of the Company.

C. DIVIDEND POLICY

There have been no dividends paid to common stockholders since the inception of the Company on January 28, 1981. The Company currently intends to retain any earnings it may achieve for use in its business, and therefore does not anticipate paying any cash dividends in the foreseeable future. Any future determination to pay cash dividends will be made by the Board of Directors in light of the earnings, financial position, capital requirements, credit agreements and such other factors as the Board of Directors deems relevant

D. SIGNIFICANT CHANGES

On January 10, 2010 Japan Airlines applied for court protection under the Japanese Corporate Rehabilitation Law (the Japanese equivalent of the U.S. Chapter 11 Bankruptcy. The Company's client, JALUX Inc., is the airline's procurement business subsidiary. It provides the airline with all its in-flight supplies and the in-flight entertainment. Jalux informed the Company of Japan Airlines' airplane retirements, resulting in a reduced demand for Sky Play. As of October 1, 2010 the last of the airplanes in which Sky Play games were installed were retired. JALUX is no longer a Sky Play client.

ITEM 9. THE OFFER AND LISTING

A. LISTING DETAILS

Since May 2007, the company's shares have traded on both the NASDAQ OTC Bulletin Board (OTCBB) and the Pink Sheets under the symbol "CTORF". Since August 3, 2005, the Company's common shares have traded on the Pink Sheets under the symbol "CTORF". Prior to August 3, 2005 and since October 16, 2000 the Company's Common Shares have traded on the OTC Bulletin Board under the symbol "CTORF". Prior to October 16, 2000 and since March 25, 1999, the Company's common shares had traded on the OTC Bulletin Board under the symbol "IELSF." From July 8, 1997 until March 24, 1999, the Company's common shares had been traded on the NASDAQ SmallCap Market under the symbol "IELSF." From March 1, 1994 until July 8, 1997, the Company's common shares traded on the NASDAQ SmallCap Market under the symbol "SKYGF." Prior to March 1, 1994, there was no trading market for the securities of the Company in the United States of America. The Company's common shares were traded on the Vancouver Stock Exchange under the symbol "CEV" until voluntarily de-listed by the Company on December 30, 1994.

On October 5, 1998, the Company was notified by NASDAQ that the Company's shares had failed to maintain a bid price greater than or equal to \$1.00 per share for the prior thirty consecutive trading days and were therefore subject to delisting. The delisting was effective on March 24, 1999.

The table below sets forth, for the periods indicated the reported high and low closing prices of the Common Stock as reported by the NASDAQ SmallCap and OTC Bulletin Board Markets.

Last six calendar months:

Last Six Calendar Months		
	High	Low
April 2011	\$0.0055	\$0.0055
March 2011	\$0.0055	\$0.0055
February 2011	\$0.0060	\$0.0050
January 2011	\$0.0060	\$0.0060
December 2010	\$0.0100	\$0.0060
November 2010	\$0.0050	\$0.0050

Each fiscal quarter within the last two years:

	Twelve Months Ended			
	December 31, 2010		December 31, 2009	
	High	Low	High	Low
First Quarter	\$0.0050	\$0.0005	\$0.0050	\$0.0005
Second Quarter	\$0.0050	\$0.0030	\$0.0025	\$0.0050
Third Quarter	\$0.0050	\$0.0050	\$0.0200	\$0.0020
Fourth Quarter	\$0.0100	\$0.0050	\$0.0030	\$0.0030

Last five full financial years:

Last Five Full Financial Years		
	High	Low
2010	\$0.0100	\$0.0030
2009	\$0.0200	\$0.0005
2008	\$0.0420	\$0.0010
2007	\$0.1200	\$0.0200
2006	\$0.6000	\$0.0260

ITEM 10. ADDITIONAL INFORMATION

A. SHARE CAPITAL

The Class A Preferred shares are non-voting and are convertible at any time into common shares at the option of the holder. The number of common shares will be determined by dividing \$1,000 per share of Class A Preferred shares, plus any accrued and unpaid dividends thereon by a conversion price equal to 60% of the market price. Dividends on the Class A Preferred shares are cumulative and payable quarterly at an annual dividend rate of 9%. CCL, at its option, may redeem the Class A Preferred shares, in whole or in part, at any time and from time to time, at a redemption price of \$1,000 per share, plus any accrued and unpaid dividends thereon. CCL is not required to redeem the Class A Preferred shares.

In 1997, CCL exchanged a promissory note in the amount of \$2,737,000 for 2,737 Class A Preference shares at \$1,000 per share. In 1998, CCL redeemed 500 of the Class A Preference shares at their redemption price of \$1,000 per share. As of December 31, 2010, 2,237 Class A Preferred stock remained outstanding.

Dividends on the Class A Preferred shares for the years ended December 31, 2010 and 2009 were \$505,098 and \$463,837, respectively. They remain unpaid and are in arrears.

Under US GAAP, for financial statement presentation purposes, the balance of the preferred shares is reflected on the balance as temporary equity because the ability to issue common shares in the event of a preferred share conversion is not within the control the Company.

B. MEMORANDUM AND ARTICLES OF ASSOCIATION

This information has been reported previously. See Exhibits 3.i(a), 3.i(b), 3.ii (detailed below) – Incorporated by reference.

- 3.i(a) Articles of Incorporation (Yukon Territory). (Incorporated by reference to Exhibit 1.1 to the Registrant's Annual Report on Form 20-F (File No. 0-22622) as filed with the SEC on October 12, 1993.)
- 3.i(b) Certificate of Continuance (Bermuda). (Incorporated by reference to Exhibit 1.2 to the Registrant's Annual Report on Form 20-F (File No. 0-22622) as filed with the SEC on September 16, 1996.)
- 3.ii By-Laws as amended. (Incorporated by reference to the same numbered exhibit to the Registrant's Annual Report on Form 10-K/A No. 2 as filed with the SEC on July 8, 1998.)

C. MATERIAL CONTRACTS

Not Applicable

D. EXCHANGE CONTROLS

An exempted company is classified as non-resident in Bermuda for exchange control purposes by the Bermuda Monetary Authority ("BMA"). Accordingly, the Company may convert currency (other than Bermudian currency) held for its account to any other currency without restriction.

Persons, firms or companies regarded as residents of Bermuda for exchange control purposes require specific consent under the Exchange Control Act 1972 of Bermuda, and regulations there under, to purchase or sell shares or warrants of the Company which are regarded as foreign currency securities by the BMA. Before the Company can issue any further shares or warrants, the Company must first obtain the prior written consent of the BMA.

E. TAXATION

The following paragraphs set forth, in general terms, certain United States and Bermudian income tax considerations in connection with the ownership of common shares of the Company. The tax considerations relevant to the ownership of common shares of the Company are complex, and the tax consequences of such ownership may vary depending on the individual circumstances of the shareholder. Accordingly, each shareholder and prospective shareholder is urged to consult his own tax advisor with specific reference to the tax consequences of share ownership in his own situation. In addition, there may be relevant state, provincial or local income tax considerations which are not discussed.

United States Federal Income Tax Considerations

Passive Foreign Investment Company: Because substantially all of the Company's recent income has consisted of interest, the Company believes that it presently constitutes a passive foreign investment company (a "PFIC") within the meaning of (S) 1295 of the Internal Revenue Code of 1986, as amended. A foreign corporation is a PFIC if 75% or more of its gross income for the taxable year is from passive sources such as interest and dividends, or if the average percentage of its assets during the year that produce passive income is at least 50%.

Certain adverse tax consequences apply to U.S. persons who are shareholders of a PFIC. Specifically, U.S. shareholders of a PFIC are subject to maximum rates of tax plus an interest charge on "excess distributions," which includes gain on the sale of PFIC shares as well as certain distributions. The interest charge is based upon the value of the deemed tax deferral, and on the assumption that the excess distribution was earned pro rata over the shareholder's holding period. In addition, a U.S. shareholder who uses PFIC stock as security for a loan is treated as having disposed of the stock; a transfer of the PFIC stock may fail to qualify for non-recognition treatment that would otherwise be available; special foreign tax credit limitations will apply to a U.S. shareholder with respect to earnings of the PFIC; a U.S. shareholder will not be entitled to a basis step-up in the basis of PFIC stock at death; and the Company will continue to be treated as a PFIC throughout a U.S. shareholder's holding period, even if it no longer satisfies the income or asset tests for a PFIC described above.

The foregoing adverse tax consequences, other than the loss of the step-up in basis at death, generally will not apply if (i) the U.S. shareholder has elected to treat the PFIC as a qualified electing fund ("QEF") for each taxable year in the shareholder's holding period beginning after December 31, 1986 for which the Company was a PFIC, and (ii) the Company complies with reporting requirements to be prescribed by the IRS. In general U.S. shareholders of a QEF are taxable currently on their pro rata share of the QEF's ordinary income and net capital gain, unless they elect to defer payments of tax on amounts included in income for which no distribution has been received, subject to an interest charge on the tax deferral.

THE QEF ELECTION FOR A TAXABLE YEAR MUST BE FILED BY THE DUE DATE (PLUS EXTENSIONS) FOR FILING THE U.S. SHAREHOLDER'S INCOME TAX RETURN FOR THE YEAR. A U.S. shareholder makes the election by filing a "Shareholder Election Statement," a "PFIC Annual Information Statement" and Form 8621 with its tax return. A copy of the Shareholder Election Statement must also be filed with the IRS Center in Philadelphia.

If the Company has been a PFIC for a taxable year beginning after December 31, 1986 which includes any portion of a U.S. shareholder's holding period, the U.S. shareholder may still make a QEF election for the Company and, if so, may also elect to recognize any gain inherent in the shareholder's PFIC stock, as of at the beginning of the first year in which the Company becomes a QEF, as an excess distribution. A U.S. shareholder who makes this gain-recognition election will thereafter not be subject to the tax regime for excess distributions described above.

For so long as the Company remains a PFIC, the Company intends to comply with the reporting requirements that will be prescribed in Treasury Regulations, and to make available to its U.S. shareholders upon request a PFIC Annual Information Statement to enable them to make QEF elections.

Gain on Disposition; Distributions. Under certain limited circumstances, non-U.S. shareholders will be subject to U.S. federal income taxation at graduated rates upon gain or dividends, if any, with respect to their common shares, if such gain or income is treated as effectively connected with the conduct of the recipient's U.S. trade or business. Dividends, if any, paid to U.S. persons will be generally subject to U.S. federal ordinary income taxation, except for dividends of earnings that were previously taxed under the QEF rules discussed above. Dividends will not be eligible for the deduction for dividends received by corporations (unless such corporation owns by vote and value at least 10% of the stock of the Company, in which case a portion of such dividends may be eligible for such deduction). U.S. persons will be entitled, subject to various limitations including the so-called "basket limitations," to a credit for Canadian federal income tax withheld from such dividends.

Foreign Personal Holding Company and Controlled Foreign Company: The Company would be a foreign personal holding company ("FPHC") for a taxable year if more than 50% of its total combined voting power or the total value of its stock were owned, actually or constructively, by five or fewer U.S. individuals and 60% or more of its gross income were derived from passive sources such as interest or dividends. The Company would be a controlled foreign corporation ("CFC") if more than 50% of the voting power or value of its stock were owned, directly or indirectly, by U.S. persons each of whom own 10% or more of the voting power of the Company's stock. The Company does not believe that it is an FPHC or a CFC. If the Company were, or were to become, an FPHC or a CFC, some or all U.S. shareholders would be required to include in their taxable income certain undistributed amounts of the Company's income.

Reporting: Any U.S. person who owns 5% or more in value of the stock of the Company may be required to file IRS Form 5471 with respect to the Company and its non-U.S. subsidiaries and to report certain acquisitions or dispositions of the stock of the Company. Annual filings of Form 5471 would be required from any U.S. person owning 50% or more of the stock of the Company or, if the Company were an FPHC or a CFC, from certain U.S. persons owning 10% or more of the stock of the Company. U.S. shareholders of the Company while it is a PFIC must file Form 8621 with the IRS.

Bermudian Income Tax Considerations

Under present Bermuda law, no withholding tax on dividends or other distributions, nor any Bermuda tax computed on profits or income or on any capital asset, gain or appreciation will be payable by the Company on its operations, nor is there any Bermuda tax in the nature of estate duty or inheritance tax applicable to shares, debentures or other obligations of the Company. Furthermore, upon continuance of the Company in Bermuda, the Minister of Finance (Bermuda) gave the usual assurance under the Exempted Undertakings Tax Protection Act 1966 of Bermuda that no such taxes shall be so applicable until March 28, 2016, although this assurance will not prevent the imposition of any Bermuda tax payable in relation to any land in Bermuda leased or let to the Company or to persons ordinarily resident in Bermuda.

The Company is required to pay an annual Government fee (the "Government Fee"), which is determined on a sliding scale by reference to a company's authorized share capital and share premium account, with the minimum fee being BD\$1,680 and the maximum BD\$25,000 (the Bermuda dollar is treated at par with the U.S. dollar). The Government Fee is payable at the end of December in every year and is based on the authorized share capital and share premium account as they stood at August 31 in the preceding year.

Canadian Income Tax Considerations

Through the Company's President, who resides in Canada, the Company may be subject to Canadian Corporate Income Tax. The Company has never filed any tax returns in Canada, and maybe subject to interest and penalties.

F. DIVIDENDS AND PAYING AGENTS

Not applicable

G. STATEMENT BY EXPERTS

Not Applicable

H. DOCUMENTS ON DISPLAY

The documents described herein may be inspected at the Company's Registered Office during normal business hours, at:

Floor Six
65 Front Street
Hamilton
Islands of Bermuda HM12

I. SUBSIDIARY INFORMATION

Not applicable

ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable

ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

Not applicable

ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

None

ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITIZY HOLDERS AND USE OF PROCEEDS

Not applicable

ITEM 15. CONTROLS AND PROCEDURES

(a) Evaluation of disclosure controls and procedures.

Our principal executive officer and principal financial officer have reviewed and evaluated the effectiveness of the Company's disclosure controls and procedures as of December 31, 2010. Based on that review and evaluation, the principal executive officer and principal financial officer have concluded that the Company's disclosure controls and procedures were not effective.

(b) Management's Annual Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting. All internal control systems, no matter how well designed, have inherent limitations and may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

As at December 31, 2010, management assessed the effectiveness of our internal controls over financial reporting and concluded that such internal controls over financial reporting were not effective and that there were material weaknesses in our internal controls over financial reporting. The material weaknesses were lack of segregation of duties and limited technical level knowledge of more complex generally accepted accounting principles.

In light of the existence of these control deficiencies, management concluded that there is a reasonable possibility that a material misstatement of the annual or interim financial statements will not be prevented or detected on a timely basis by the Company's internal controls.

(c) Attestation Report of Registered Public Accounting Firm

This annual report does not include an attestation report of the Company's independent registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by the Company's independent registered public accounting firm pursuant to temporary rules of the SEC that permit the Company to provide only management's report in this Form 20-F Annual Report.

(d) Changes in internal controls over financial reporting

There were no changes that occurred during the period covered by this Form 20-F, that materially affected, or are likely to materially affect our internal control over financial reporting.

ITEM 16. AUDIT COMMITTEE, CODE OF ETHICS, ACCOUNTANT FEES.**A. AUDIT COMMITTEE FINANCIAL EXPERT**

The Company has determined that Deborah Fortescue-Merrin qualifies as an audit committee financial expert serving on its audit committee. Deborah Fortescue-Merrin is not independent.

B. CODE OF ETHICS

On November 19, 2004, the Company adopted a written Code of Business Conduct and Ethics (the "Code"), which applies to all of the Company's Directors, Officers and Employees. These standards have been adopted in order to promote the highest of ethical standards. A copy of the Code of Ethics is available at the Company's website at "www.creatorcapital.com".

In the event of an amendment or waiver from any provision in the Code of Ethics, such information will be disclosed in the Company's Annual Report.

C. PRINCIPAL ACCOUNTING FEES AND SERVICES

Pre-approval policies and procedures: in accordance with the Sarbanes-Oxley Act of 2002, audit services and all non-audit services to be rendered by the Company's auditors, is approved in advance by the Company's Audit Committee. The Audit Committee is informed of each service actually rendered that was approved through its pre-approval process. The Audit Committee has the authority to pre-approve audit services up to a maximum cost of \$35,000 and individual non-audit services up to a maximum cost of \$5,000 per year. Saturna Group Chartered Accountants LLP has served as the Company's principal accountant since 2009.

	2010 \$	2009 \$
Audit fees	10,000	16,000
Audit related fees	—	—
Tax fees	—	—
All other fees	—	—
Total	10,000	16,000

D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

Not applicable

E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

There have been no purchases of the Company's common shares by the Company or affiliated purchasers during the period covered by this report.

ITEM 17. FINANCIAL STATEMENTS

The Company's audited consolidated financial statements are stated in US dollars and are prepared in accordance with Canadian generally accepted accounting principles, the application of which, in the case of the Company, conforms in all material respects for the periods presented with US GAAP, except as discussed in the notes to the consolidated financial statements.

A. Financial Statements

Independent auditors' report

Consolidated balance sheets as at December 31, 2010 and 2009

Consolidated statements of operations for the years ended December 31, 2010, 2009 and 2008

Consolidated statements of shareholder's deficit for the years ended December 31, 2010, 2009 and 2008

Consolidated statements of cash Flows for the years ended December 31, 2010, 2009 and 2008

Notes to the consolidated financial statements

CREATOR CAPITAL LIMITED

Consolidated Financial Statements

Years Ended December 31, 2010, 2009 and 2008

(Expressed in U.S. dollars)



1066 West Hastings Street, Suite 1250
Vancouver, BC Canada V6E 3X1

INDEPENDENT AUDITORS' REPORT

To the Shareholders of Creator Capital Limited

We have audited the consolidated balance sheets of Creator Capital Limited as at December 31, 2010 and 2009, and the consolidated statements of operations, comprehensive loss, deficit, shareholders' deficit, and cash flows for the years then ended, and the related notes comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also involves evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of Creator Capital Limited as at December 31, 2010 and 2009 and the results of its operations and its cash flows for the years then ended, in accordance with Canadian generally accepted accounting principles.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 of the consolidated financial statements which indicates the existence of a material uncertainty that may cast significant doubt on the ability of Creator Capital Limited to continue as a going concern.

/s/ SATURNA GROUP CHARTERED ACCOUNTANTS LLP

Saturna Group Chartered Accountants LLP

Vancouver, Canada

May 5, 2011

CREATOR CAPITAL LIMITED

Consolidated balance sheets

As at December 31, 2010 and 2009

(Expressed in U.S. dollars)

	2010 \$	2009 \$
Assets		
Current Assets		
Cash	9,786	7,958
Accounts receivable	1,750	11,600
Prepaid expenses	1,343	—
	<u>12,879</u>	<u>19,558</u>
Liabilities and Shareholders' Deficit		
Current Liabilities		
Accounts payable and accrued liabilities (Note 4)	405,048	347,519
Loans payable (Note 3)	185,527	135,257
Due to related party (Note 4)	5,000	5,000
Accrued dividends payable	4,055,731	3,550,633
Preferred shares (Note 5)	2,237,443	2,237,443
	<u>6,888,749</u>	<u>6,275,852</u>
Shareholders' Deficit		
Share capital	874,673	874,673
Contributed surplus	63,683,159	63,683,159
Deficit	(71,433,702)	(70,814,126)
	<u>(6,875,870)</u>	<u>(6,256,294)</u>
	<u>12,879</u>	<u>19,558</u>

Nature of operations and continuance of business (Note 1)

Subsequent event (Note 12)

Approved on behalf of the Board:

/s/ "Deborah Fortescue-Merrin"

Deborah Fortescue-Merrin, Director

/s/ "Anthony Clements"

Anthony Clements, Director

(The accompanying notes are an integral part of these consolidated financial statements)

CREATOR CAPITAL LIMITED

Consolidated statements of operations and comprehensive loss

Years ended December 31, 2010, 2009 and 2008

(Expressed in U.S. dollars)

	2010 \$	2009 \$	2008 \$
Revenue	32,550	59,380	55,160
Expenses			
Consulting fees (Note 4)	42,000	42,000	42,000
General and administrative	81,062	57,406	67,617
Professional fees	23,966	14,160	104,195
	147,028	113,566	213,812
Loss before other income (expense)	(114,478)	(54,186)	(158,652)
Other income (expense)			
Interest and other income	—	—	69
Preferred shares dividends	(505,098)	(463,837)	(425,131)
	(505,098)	(463,837)	(425,062)
Net loss and comprehensive loss for the year	(619,576)	(518,023)	(583,714)
Loss per share, basic and diluted	(0.01)	(0.01)	(0.01)
Weighted average shares outstanding	87,467,288	87,467,288	87,467,288

(The accompanying notes are an integral part of these consolidated financial statements)

CREATOR CAPITAL LIMITED

Consolidated statements of shareholders' deficit
 Years ended December 31, 2010, 2009 and 2008
 (Expressed in U.S. dollars)

	Common shares		Contributed surplus	Deficit	Total
	Number of shares	Amount			
	\$	\$	\$	\$	\$
Balance, December 31, 2007	88,053,288	874,673	63,683,159	(69,712,389)	(5,154,557)
Net loss for the year	—	—	—	(583,714)	(583,714)
Balance, December 31, 2008	87,467,288	874,673	63,683,159	(70,296,103)	(5,738,271)
Net loss for the year	—	—	—	(518,023)	(518,023)
Balance, December 31, 2009	87,467,288	874,673	63,683,159	(70,814,126)	(6,256,294)
Net loss for the year	—	—	—	(619,576)	(619,576)
Balance, December 31, 2010	87,467,288	874,673	63,683,159	(70,433,702)	(6,875,870)

(The accompanying notes are an integral part of these consolidated financial statements)

CREATOR CAPITAL LIMITED

Consolidated statements of cash flows

Years ended December 31, 2010, 2009 and 2008

(Expressed in U.S. dollars)

	2010 \$	2009 \$	2008 \$
Cash provided by (used in):			
Operating activities			
Net loss for the year	(619,576)	(518,023)	(583,714)
Items not involving cash:			
Foreign currency translation loss on debt	1,460	—	—
Changes in non-cash operating working capital:			
Accounts receivable	9,850	(3,135)	(2,020)
Prepaid expenses	(1,343)	1,338	(529)
Accounts payable and accrued liabilities	57,529	30,581	168,752
Accrued dividends payable	505,098	463,837	425,131
	(46,982)	(25,402)	7,620
Financing activities			
Proceeds from loans payable	48,810	23,435	—
Repayment of loans payable	—	—	(5,000)
	48,810	23,435	(5,000)
Increase (decrease) in cash	1,828	(1,967)	2,620
Cash, beginning of year	7,958	9,925	7,305
Cash, end of year	9,786	7,958	9,925
Supplemental disclosures:			
Interest paid	—	—	—
Income taxes paid	—	—	—

(The accompanying notes are an integral part of these consolidated financial statements)

CREATOR CAPITAL LIMITED

Notes to the consolidated financial statements

Years ended December 31, 2010, 2009 and 2008

(Expressed in U.S. dollars)

1. Nature of Operations and Continuance of Business

Creator Capital Limited (the "Company") is a Bermuda company whose shares are trade on the NASD Over the Counter Bulletin Board in the United States of America. The Company provides in-flight gaming and entertainment software and services by developing, implementing and operating or licensing computerized video gaming and other entertainment software on, but not limited to, the aircraft of international commercial air carriers. Gaming software is marketed using the name Sky Games® and the entertainment software is marketed using the name Sky Play®.

These consolidated financial statements have been prepared in accordance with generally accepted accounting principles applicable to a going concern, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. Realization values may be substantially different from carrying values as shown and these financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. As at December 31, 2010, the Company had not yet achieved profitable operations, has a working capital deficit of \$6,875,870, has accumulated losses of \$71,433,702 since its inception and expects to incur further losses in the development of its business, all of which cast substantial doubt about the Company's ability to continue as a going concern. The Company will require additional financing in order to meet its ongoing levels of corporate overhead and discharge its liabilities as they come due. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future, particularly in light of current global economic conditions. Accordingly, these financial statements do not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern.

2. Significant Accounting Policies**(a) Basis of Presentation**

The consolidated financial statements of the Company are prepared in accordance with Canadian generally accepted accounting principles and are stated in U.S. dollars. These financial statements include the accounts of the Company and its inactive wholly-owned subsidiaries, Creator Capital (Nevada) Inc and Creator Island Equities Inc. All significant inter-company balances and transactions have been eliminated on consolidation.

(b) Use of Estimates

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires the Company's management to make estimates and assumptions that affect the amounts reported in the financial statements and the related notes to the financial statements. Significant financial statement items which involve the use of estimates include the collectability of accounts receivable and future income tax asset valuation allowances. Actual results could differ from those estimates.

(c) Cash and Cash Equivalents

The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance to be cash equivalents.

(d) Foreign Currency Translation

Monetary assets and liabilities of integrated operations and other monetary assets and liabilities denominated in foreign currencies are translated to U.S. dollars at exchange rates in effect at the balance sheet date. Non-monetary assets and liabilities are translated at transaction date rates. Revenue and expenses are translated at average rates for the period. Foreign exchange gains and losses are included in the results of operations.

CREATOR CAPITAL LIMITED

Notes to the consolidated financial statements

Years ended December 31, 2010, 2009 and 2008

(Expressed in U.S. dollars)

2. Significant Accounting Policies (continued)**(e) Income Taxes**

The Company follows the asset and liability method of accounting for income taxes. Future income taxes assets and liabilities are recognized for the estimated future tax consequences attributable to difference between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases ("temporary differences") and loss carry forwards. When necessary, a valuation allowance is recorded to reduce income tax assets to an amount where realization is more likely than not. Future income tax assets and liabilities are measured using enacted or substantively enacted tax laws and rates in effect for the year in which those temporary differences are expected to be recovered or settled. The effect on future income tax assets and liabilities of a change in rates is recognized in the period that included the date of enactment or substantive enactment.

(f) Financial Instruments

The Company classifies all financial instruments as either held-for-trading, available-for-sale, held-to-maturity, loans and receivables or other financial liabilities. Financial instruments are required to be measured at fair value on initial recognition. Measurement in subsequent periods depends on the financial instruments classification. Held-for-trading instruments are measured at fair value with unrealized gains and losses recognized in results of operations. Available-for-sale instruments are measured at fair value with unrealized gains and losses recognized in other comprehensive income. Instruments held-to-maturity, loans and receivables and other financial liabilities are measured at amortized cost.

The Company has classified its cash as held-for-trading. Receivables are classified as loans and receivables. Accounts payable and accrued liabilities, notes payable, amounts due to related parties, accrued dividends payable, and preferred stock are classified as other financial liabilities.

(g) Revenue Recognition

The Company recognizes revenues when the following criteria are met: persuasive evidence of an agreement exists, delivery has occurred, the price to the buyer is fixed and determinable, and collectability is reasonably assured. Revenue for Sky Play is recognized each month for a license fee on a per-game usage basis as the above criteria have been met.

(h) Loss Per Share

Basic loss per share is computed using the weighted average number of common shares outstanding during the period. The treasury stock method is used for the calculation of diluted loss per share. Stock options, share purchase warrants, and other equity instruments are dilutive when the average market price of the common shares during the period exceeds the exercise price of the options, warrants and other equity instruments. For the years ended December 31, 2010, 2009 and 2008, potentially dilutive common shares totalling 6,950,000 (2009 – 6,950,000; 2008 – 7,370,000) were not included in the computation of loss per share because their effect was anti-dilutive.

(i) Comprehensive Loss

Section 1530 establishes standards for the reporting and display of comprehensive income. The Company's does not have any items representing comprehensive income or loss.

CREATOR CAPITAL LIMITED

Notes to the consolidated financial statements

Years ended December 31, 2010, 2009 and 2008

(Expressed in U.S. dollars)

2. Significant Accounting Policies (continued)**(j) Stock-based Compensation**

The Company recognizes stock-based compensation expense in accordance with CICA Handbook Section 3870, "Stock-Based Compensation and Other Stock-Based Payments". When stock or stock options are issued to employees, compensation expense is recognized based on the fair value of the stock or stock options issued on the date of grant, over the vesting period of the stock or stock options. Stock-based payments to non-employees are measured at the fair value of the consideration received, or the fair value of the equity instruments issued, or liabilities incurred, whichever is more reliably measurable. The fair value of stock-based payments to non-employees is periodically re-measured until counterparty performance is complete, and any change therein is recognized over the period and in the same manner as if the Company had paid cash instead of paying with or using equity instruments. The cost of stock-based payments to non-employees that are fully vested and non-forfeitable at the grant date is measured and recognized at that date. On the exercise of stock options, share capital is credited for consideration received and for fair value amounts previously credited to contributed surplus.

(k) Future Changes in Accounting Standards

In August 2009, the Accounting Standards Board ("AcSB") issued CICA Handbook Section 1625, "Comprehensive Revaluation of Assets and Liabilities" for consistency with new Section 1582, "Business Combinations". The amendments apply prospectively to comprehensive revaluations of assets and liabilities occurring in fiscal years beginning on or after January 1, 2011. The section is applicable for the Company for the fiscal year beginning January 1, 2011, and is not expected to have a material impact on the Company's consolidated financial statements.

In August 2009, AcSB issued CICA Handbook Section 3251, "Equity" in response to issuing Section 1602, "Non-controlling Interests". The amendments require non-controlling interests to be recognized as a separate component of equity. The amendments apply only to entities that have adopted Section 1602. The adoption of this section is not expected to have a material impact on the Company's consolidated financial statements.

In January 2009, the AcSB issued CICA Handbook Sections 1582, "Business Combinations", 1601, "Consolidated Financial Statements" and 1602, "Non-controlling Interests" which replace CICA Handbook Sections 1581, "Business Combinations" and 1600, "Consolidated Financial Statements". Section 1582 establishes standards for the accounting for business combinations that is equivalent to the business combination accounting standard under IFRS. Section 1582 is applicable for the Company's business combinations with acquisition dates on or after January 1, 2011. Early adoption of this section is permitted. Section 1601 together with Section 1602 establishes standards for the preparation of consolidated financial statements. Section 1601 is applicable for the Company's interim and annual consolidated financial statements for its fiscal year beginning January 1, 2011. Early adoption of this section is permitted and all three sections must be adopted concurrently. The adoption of these sections is not expected to have a material effect on the Company's consolidated financial statements.

In February 2008, the AcSB confirmed that public companies will be required to prepare interim and annual financial statements under International Financial Reporting Standards ("IFRS") for fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended December 31, 2010. Management has assessed the impact of adopting IFRS and it has determined that there will not be a material effect on the Company's consolidated financial statements.

CREATOR CAPITAL LIMITED

Notes to the consolidated financial statements

Years ended December 31, 2010, 2009 and 2008

(Expressed in U.S. dollars)

3. Loans Payable

	2010 \$	2009 \$
Unsecured, bearing interest at 1.06% (2009: 0.6%), being the average 1-year Treasury yield rate	43,322	43,322
Unsecured, interest bearing at 10% per annum, due on June 21, 2011	50,270	—
Unsecured and non-interest bearing	20,000	20,000
Unsecured and non-interest bearing	41,000	41,000
Unsecured, interest bearing at 10% per annum	30,935	30,935
	<u>185,527</u>	<u>135,257</u>

These notes are past due or due within one year so are classified as current liabilities.

4. Related Party Transactions

- (a) During the year ended December 31, 2010, the Company incurred consulting fees of \$42,000 (2009 - \$42,000; 2008 -\$42,000) to a non-related company which will pay the fees to the President of the Company.
- (b) As at December 31, 2010, included in accounts payable and accrued liabilities is \$72,956 (2009 – \$72,414) owing to a company controlled by the President of the Company for unpaid fees and expenses.
- (c) As at December 31, 2010, the Company owes \$5,000 (2009 - \$5,000) to a company controlled by the President of the Company for cash advances which bear interest at 10% per annum, is unsecured, and due on January 1, 2012.

All of the above transactions have been in the normal course of operations and have been recorded at their exchange amounts, which are the amounts agreed upon by the transacting parties.

5. Preferred Shares

Authorized:

3,000	Class A preferred shares, \$0.01 par value
5,000,000	Class B preferred shares, \$0.01 par value

The Class A preferred shares are non-voting and are convertible at any time into common shares at the option of the holder. The number of common shares will be determined by dividing \$1,000 per share of Class A preferred shares, plus any accrued and unpaid dividends thereon by a conversion price equal to 60% of the market price. Dividends on the Class A preferred shares are cumulative and payable quarterly at an annual dividend rate of 9%. The Company, at its option, may redeem the Class A preferred shares, in whole or in part, at any time and from time to time, at a redemption price of \$1,000 per share plus any accrued and unpaid dividends thereon. The Company is not required to redeem the Class A preferred shares.

In 1997, the Company exchanged a promissory note in the amount of \$2,737,443 for 2,737 Class A preference shares at \$1,000 per share. The Class A preferred shares are non-voting and are convertible at any time into common shares at the option of the holder. The number of common shares will be determined by dividing \$1,000 per share of Class A preferred shares, plus any accrued and unpaid dividends thereon by a conversion price equal to 60% of the market price of the common shares at the time of conversion. Dividends on the Class A preferred shares compounding, are cumulative and are payable quarterly at an annual dividend rate of 9%. The Company is not required to redeem the Class A preferred shares, however it may, at its option, redeem the Class A preferred shares, in whole or in part, at any time at a redemption price of \$1,000 per share plus any accrued and unpaid dividends thereon.

CREATOR CAPITAL LIMITED

Notes to the consolidated financial statements

Years ended December 31, 2010, 2009 and 2008

(Expressed in U.S. dollars)

5. Preferred Shares (continued)

The shares include a "make whole" clause such that if the aggregate value of:

1. the common shares issued on conversion (at the market price upon conversion),
2. the common shares issuable upon further potential conversions (at the prevailing market price),
3. the proceeds of any redemptions received on preferred shares, and
4. the proceeds received from the sale of common shares issued on conversion

is less than the redemption amount of the preferred shares, the Company is obligated to either:

1. issue additional common shares, or
2. to repurchase all common shares and preferred shares previously issued to the holder for an amount equal to the redemption value of the preferred shares less any prior redemption proceeds.

In 1998, the Company redeemed 500 of the Class A preferred shares at their redemption price of \$1,000 per share. As at December 31, 2010 and 2009, 2,237 Class A preferred shares remained outstanding.

The Company presents the preferred shares in accordance with CICA 3860, "Financial Instrument – Disclosure and Presentation". The instrument meets the definition of a financial liability because the Company has the contractual obligation to either deliver a fixed amount or settle the obligation by delivering a variable number of its own equity instrument.

6. Common Shares

Authorized: 100,000,000 common shares, \$0.01 par value

7. Stock Options

The following table summarizes the continuity of the Company's stock options:

	Number of options	Weighted average exercise price \$
Outstanding, December 31, 2007	7,380,000	0.27
Expired	(10,000)	3.69
Outstanding, December 31, 2008	7,370,000	0.26
Expired	(420,000)	0.46
Outstanding, December 31, 2009 and 2010	6,950,000	0.25

Additional information regarding stock options outstanding as at December 31, 2010 is as follows:

Range of exercise prices \$	Outstanding and exercisable		
	Number of shares	Weighted average remaining contractual life (years)	Weighted average exercise price \$
0.25	6,950,000	1.26	0.25

CREATOR CAPITAL LIMITED

Notes to the consolidated financial statements

Years ended December 31, 2010, 2009 and 2008

(Expressed in U.S. dollars)

8. Financial Instruments and Risks**(a) Fair Values**

Assets and liabilities measured at fair value on a recurring basis were presented on the Company's balance sheet as at December 31, 2010 as follows:

	Fair Value Measurements Using			Balance, December 31, 2010
	Quoted prices in active markets for identical instruments (Level 1) \$	Significant other observable inputs (Level 2) \$	Significant unobservable inputs (Level 3) \$	
Cash	9,786	—	—	9,786

The fair values of other financial instruments, which include amounts receivable, accounts payable and accrued liabilities, notes payable, accrued dividends payable, and due to related parties approximate their carrying values due to the relatively short-term maturity of these instruments.

(b) Concentrations

For the year ended December 31, 2010, the Company derived 100% (2009 – 100%; 2008 – 97%) of its revenue from two customers.

(c) Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash and accounts receivable. The Company limits its exposure to credit loss by placing its cash with high credit quality financial institutions. The carrying amount of financial assets represents the maximum credit exposure. The Company reduces its credit risk on accounts receivable by monitoring accounts frequently. As at December 31, 2010, the Company is not exposed to any significant credit risk.

(d) Foreign Exchange Rate Risk

Foreign exchange risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign exchange rates. The Company has no significant currency risk associated with its operations.

(e) Interest Rate Risk

The Company's cash contain highly liquid investments that earn interest at market rates. The Company manages its interest rate risk by maximizing the interest earned on excess funds while maintaining the liquidity necessary to fund daily operations. Fluctuations in market interest rates do not have a significant impact on the Company's results of operations due to the short term to maturity of the investments held.

(f) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs.

CREATOR CAPITAL LIMITED

Notes to the consolidated financial statements

Years ended December 31, 2010, 2009 and 2008

(Expressed in U.S. dollars)

9. Capital Management

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of cash and equity comprised of issued share capital, contributed surplus, deficit and preferred shares.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances.

The Company is dependent on the capital markets and the existing sales to customers as its source of operating capital and the Company's capital resources are largely determined by the strength of the airline market and by the status of the Company's projects in relation to these markets, and its ability to compete for investor support of its projects. The Company's primary target market includes the Asian and Pacific Rim airlines. The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged from the year ended December 31, 2009.

10. Segmented Information

Our chief operating decision maker reviews financial information presented on a consolidated basis, accompanied by geographic information about revenues by geographic region for purposes of making operating decisions and assessing financial performance. Accordingly, we have concluded that the Company has one reportable operating segment. Foreign revenues are based on the country in which the customer is located. The following is a summary of total revenues by geographic area for the years ended December 31, 2010, 2009 and 2008:

	2010 \$	2009 \$	2008 \$
Asia	32,550	59,380	48,930
Middle East	—	—	6,230
	32,550	55,380	55,160

11. Income Taxes

The tax effect (computed by applying the Canadian federal and provincial statutory rate) of the significant temporary differences, which comprise future tax assets and liabilities, are as follows:

	2010 \$	2009 \$	2008 \$
Canadian statutory income tax rate	28.5%	30%	31%
Income tax recovery at statutory rate	177,000	155,000	181,000
Tax effect of:			
Foreign income tax other than Canadian statutory rate	(157,000)	(141,000)	(162,000)
Change in enacted tax rates	—	—	(2,000)
Change in valuation allowance	(20,000)	(14,000)	(17,000)
Income tax provision	—	—	—

CREATOR CAPITAL LIMITED

Notes to the consolidated financial statements

Years ended December 31, 2010, 2009 and 2008

(Expressed in U.S. dollars)

11. Income Taxes (continued)

The significant components of future income tax assets and liabilities are as follows:

	2010 \$	2009 \$
Future income tax assets		
Non-capital losses carried forward	116,000	96,000
Valuation allowance	(116,000)	(96,000)
Net future income tax asset	—	—

As a Bermuda exempted company, the Company is not currently subject to income tax filing requirements in Bermuda.

The Company has estimated accumulated non-capital losses of \$452,000 which may be carried forward to reduce taxable income in future years. As at December 31, 2010, the Company is in arrears on filing its statutory corporate income tax returns and the amounts presented above are based on estimates. The actual losses available could differ from these estimates.

12. Differences Between Generally Accepted Accounting Principles in Canada and the United States

The consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP"), which differ in certain material respects with those principles and practices that the Company would have followed had its financial statements been prepared in accordance with accounting principles and practices generally accepted in the United States ("U.S. GAAP"). Material differences between Canadian and U.S. GAAP and their effect on the Company's financial statements are summarized below:

(a) Balance Sheets

	2010 \$	2009 \$
Total assets under Canadian and U.S. GAAP	12,879	19,558
Total liabilities under Canadian GAAP	6,888,749	6,275,852
Preferred shares	(2,237,443)	(2,237,443)
Derivative liabilities	5,113,295	4,577,287
Total liabilities under U.S. GAAP	9,764,601	8,615,696
Preferred shares	2,237,443	2,237,443
Total shareholders' deficit under Canadian GAAP	(6,875,870)	(6,256,294)
Increase in shareholders' deficit as result of derivative liabilities	(5,113,295)	(4,577,287)
Total shareholders' deficit under U.S. GAAP	(11,989,165)	(10,833,581)
Total liabilities and shareholders' deficit under U.S. GAAP	12,879	19,558

CREATOR CAPITAL LIMITED

Notes to the consolidated financial statements

Years ended December 31, 2010, 2009 and 2008

(Expressed in U.S. dollars)

12. Differences Between Generally Accepted Accounting Principles in Canada and the United States (continued)

(b) Statements of Operations

	2010 \$	2009 \$	2008 \$
Net and comprehensive loss for the year under Canadian GAAP	(619,576)	(518,023)	(583,714)
Add: preferred shares dividend	505,098	468,837	425,131
Change in fair value of derivative liabilities	(536,008)	(1,139,746)	3,089
Net and comprehensive loss	(650,486)	(1,188,932)	(155,494)
Net and comprehensive loss	(650,486)	(1,188,932)	(155,494)
Preferred shares dividend	(505,098)	(463,837)	(425,131)
Loss to common shareholders	(1,155,584)	(1,652,769)	(580,625)
Net loss per share, basic and diluted	(0.01)	(0.02)	(0.01)

(c) Derivative Liabilities

Preferred Shares

Under Canadian GAAP, the Company's Class A preferred shares and accrued dividends payable thereon are classified as a financial liability because the Company has the contractual obligation to either deliver a fixed amount or settle the obligation by delivering its own equity instrument. Under U.S. GAAP, effective June 30, 2001, the Company was required to bifurcate the conversion feature of the preferred shares as a derivative liability pursuant to the provisions of ASC 815, "Derivatives and Hedging". In accordance with these provisions, the Company calculated the fair value of the derivative liability as at June 30, 2001, the effective date of ASC 815, and re-measured its fair value at each subsequent financial statement date with the changes in fair value recorded in the Company's statement of operations. The discount resulting from bifurcating the derivative liability from the preferred shares was fully accreted by a charge to shareholders' equity on the initial date of the measurement of the derivative liability. Under U.S. GAAP, for financial statement presentation purposes, the balance of the preferred shares is reflected on the balance as temporary equity because the ability to issue common shares in the event of a preferred share conversion is not within the control the Company. Since the Company has no retained earnings, the dividends would be a charge to additional paid-in capital and not accumulated deficit under U.S. GAAP. The dividend is included in the calculation of earnings (loss) per share.

Stock Options

Under Canadian GAAP, the Company records the fair value of its stock option grants as stock-based compensation along with a corresponding increase to additional paid-in capital. Under U.S. GAAP, pursuant to the provisions of ASC 815, the Company is required to classify its outstanding stock options as liabilities; representing the fair value of the obligation should the Company be required to settle the exercise of options in cash for failure to have sufficient authorized common shares to issue. The fair value of the stock options is periodically re-measured at each financial statement date for the duration that the options are outstanding. As a result, the Company has determined the fair value of the options as at December 31, 2010 to be \$nil (2009 - \$2,629).

CREATOR CAPITAL LIMITED

Notes to the consolidated financial statements

Years ended December 31, 2010, 2009 and 2008

(Expressed in U.S. dollars)

12. Differences Between Generally Accepted Accounting Principles in Canada and the United States (continued)

(d) New United States Accounting Standards

In January 2010, the FASB issued an amendment to ASC 820, "Fair Value Measurements and Disclosures", to require reporting entities to separately disclose the amounts and business rationale for significant transfers in and out of Level 1 and Level 2 fair value measurements and separately present information regarding purchase, sale, issuance, and settlement of Level 3 fair value measures on a gross basis. The adoption of this standard on January 1, 2010, with the exception of disclosures regarding the purchase, sale, issuance, and settlement of Level 3 fair value measures which are effective for fiscal years beginning after December 15, 2010, did not have a material effect on the Company's consolidated financial statements. The adoption of the remainder of the standard is not expected to have a material effect on the Company's consolidated financial statements.

The Company has implemented all new accounting pronouncements that are in effect and that may impact its financial statements and does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its consolidated financial statements.

13. Subsequent Event

On April 11, 2011, the Company received proceeds of Cdn\$25,000 for a loan payable which bears interest at 10% per annum, is unsecured, and due on April 30, 2012.

C. Exhibits

EXHIBIT	DESCRIPTION
2.	Plan and Agreement of Merger and Amalgamation, dated as of May 13, 1997, among the Company, SGI Holding Corporation Limited, IEL and Harrah's Interactive Investment Company. (Incorporated by reference to the same numbered exhibit to the Registrant's Form 8-K as filed with the SEC on June 27, 1997.)
3.i(a)	Articles of Incorporation (Yukon Territory). (Incorporated by reference to Exhibit 1.1 to the Registrant's Annual Report on Form 20-F (File No. 0-22622) as filed with the SEC on October 12, 1993.)
3.i(b)	Certificate of Continuance (Bermuda). (Incorporated by reference to Exhibit 1.2 to the Registrant's Annual Report on Form 20-F (File No. 0-22622) as filed with the SEC on September 16, 1996.)
3.ii	Bye-Laws as amended. (Incorporated by reference to the same numbered exhibit to the Registrant's Annual Report on Form 10-K/A No. 2 as filed with the SEC on July 8, 1998.)
4.1	Escrow Agreement dated May 27, 1992, as amended, among Montreal Trust Company of Canada, the Company and certain shareholders. (Incorporated by reference to Exhibit 3.2 to the Registrant's Annual Report on Form 20-F (File No. 0-22622) as filed with the SEC on October 12, 1993.)
4.2	Redemption Agreement, dated as of February 25, 1997, between the Company and Anthony Clements and Rex Fortescue. (Incorporated by reference to Exhibit 3.12 to the Registrant's Annual Report on Form 20-F (File No. 0-22622) as filed with the SEC on September 12, 1997.)
4.3	Redemption and Cancellation Agreement, dated as of April 30, 1997, between the Company and Sky Games International, Inc. (Incorporated by reference to Exhibit 3.13 to the Registrant's Annual Report on Form 20-F (File No. 0-22622) as filed with the SEC on September 12, 1997.)
4.4	Shareholder Rights Agreement, dated June 17, 1997, between the Company and Harrah's Interactive Investment Company. (Incorporated by reference to Exhibit 3.15 to the Registrant's Annual Report on Form 20-F (File No. 0-22622) as filed with the SEC on September 12, 1997.)
4.5	Registration and Preemptive Rights Agreement, dated June 17, 1997, between the Company and Harrah's Interactive Investment Company. (Incorporated by reference to Exhibit 4(a) to the Registrant's Form 8-K as filed with the SEC on June 27, 1997.)
4.6	Registration Rights Agreement, dated June 17, 1997, between the Company and B/E Aerospace, Inc. (Incorporated by reference to Exhibit 4(b) to the Registrant's Form 8-K as filed with the SEC on June 27, 1997.)
4.7	Subscription Agreement, dated as of October 22, 1997, between the Company and Henderson International Investments Limited. (Incorporated by reference to Exhibit 3.22 to the Registrant's Quarterly Report on Form 10-Q/A No. 1 as filed with the SEC on July 8, 1998.)
4.8	Subscription Agreement, dated as of October 22, 1997, between the Company and Michael A. Irwin. (Incorporated by reference to Exhibit 3.23 to the Registrant's Quarterly Report on Form 10-Q/A No. 1 as filed with the SEC on July 8, 1998.)
4.9	First Amendment to Registration and Preemptive Rights Agreement dated March 18, 1998 between the Company and Harrah's Interactive Investment Company. (Incorporated by reference to Exhibit 99.22 to the Registrant's Amended Registration Statement on Form S-3 as filed with the SEC on July 15, 1998.)
4.10	First Amendment to Subscription Agreement between the Company and Henderson International Investments Limited dated as of April 2, 1998. (Incorporated by reference to Exhibit 99.23 to the Registrant's Amended Registration Statement on Form S-3 as filed with the SEC on July 15, 1998.)
4.11	Securities Purchase Agreement between the Company and each of Marshall Capital Management, Inc. (formerly Proprietary Convertible Investment Group, Inc.) and CC Investments, LDC dated as of December 17, 1997. (Incorporated by reference to Exhibit 99 to the Registrant's Form 8-K as filed with the SEC on December 24, 1997.)
4.12	Registration Rights Agreement between the Company and each of Marshall Capital Management, Inc. (formerly Proprietary Convertible Investment Group, Inc.) and CC Investments, LDC dated as of December 17, 1997. (Incorporated by reference to Exhibit 4(c) to the Registrant's Form 8-K as filed with the SEC on December 24, 1997.)
4.13	Securities Purchase Agreement between the Company and Palisades Holding, Inc. dated February 20, 1998. (Incorporated by reference to Exhibit 99.6 to the Registrant's Amended Registration Statement on Form S-3 as filed with the SEC on July 15, 1998.)
4.14	Registration Rights Agreement between the Company and Palisades Holding, Inc. dated February 20, 1998. (Incorporated by reference to Exhibit 99.5 to the Registrant's Amended Registration Statement on Form S-3 as filed with the SEC on July 15, 1998.)
4.15	Securities Agreement between the Company and B/E Aerospace, Inc. dated June 25, 1998. (Incorporated by reference to Exhibit 99.1 to the Registrant's Form 8-K filed with the SEC July 2, 1998.)
10.5*	Services Agreement, dated as of November 7, 1995, between IEL and Singapore Airlines Limited. (Incorporated by reference to Exhibit 3.9 to the Registrant's Annual Report on Form 20-F (File No. 0-22622) as filed with the SEC on September 16, 1996.)
10.6*	Software License and Software Services Agreement, dated as of November 7, 1995, between IEL and Singapore Airlines Limited. (Incorporated by reference to Exhibit 3.10 to the Registrant's Annual Report on Form 20-F (File No. 0-22622) as filed with the SEC on September 16, 1996.)

- 10.7 Sublease Agreement dated as of June 5, 1997, between IEL and Harrah's Operating Company, Inc. (Incorporated by reference to Exhibit 3.11 to the Registrant's Annual Report on Form 20-F (File No. 0-22622) as filed with the SEC on September 12, 1997.)
- 10.8 Consulting Agreement, dated as of April 30, 1997, between the Company and James P. Grymyr. (Incorporated by reference to Exhibit 3.14 to the Registrant's Annual Report on Form 20-F (File No. 0-22622) as filed with the SEC on September 12, 1997.)
- 10.9* Software License Agreement, dated June 17, 1997, between the Company and Harrah's Interactive Investment Company. (Incorporated by reference to Exhibit 3.16 to the Registrant's Annual Report on Form 20-F (File No. 0-22622) as filed with the SEC on September 12, 1997.)
- 10.10 Continuing Services Agreement, dated June 17, 1997, between the Company and Harrah's Interactive Entertainment Company. (Incorporated by reference to Exhibit 3.17 to the Registrant's Annual Report on Form 20-F (File No. 0-22622) as filed with the SEC on September 12, 1997.)
- 10.11 Termination Agreement and Release, dated as of June 17, 1997, among the Company, SGI Holding Corporation Limited, IEL, Harrah's Interactive Investment Company, and Harrah's Interactive Entertainment Company. (Incorporated by reference to Exhibit 3.21 to the Registrant's Annual Report on Form 20-F (File No. 0-22622) as filed with the SEC on September 12, 1997.)
- 11.11 Investment Agreement dated September 22, 2001, between the Company and Asset China Investments Ltd. (Incorporated by reference to Exhibit 11.11 to the Registrants Annual Report on Form 10-K (File No. 0-22622) as filed with the SEC on April 1, 2002
- 11.12 Investment Agreement dated November 1, 2001, between the Company and Lee John Associates. (Incorporated by reference to Exhibit 11.12 to the Registrants Annual Report on Form 10-K (File No. 0-22622) as filed with the SEC on April 1, 2002
- 12.1** Section 302 Certification of Chief Executive Officer and Chief Financial Officer
- 12.11 Annulment Agreement, dated as of April 10, 2001, between the Company and James P Grymyr. (previously filed)
- 12.12 Consulting Agreement, dated as of January 2, 2002, between the Company and Stephen M West. (previously filed)
- 12.13 Consulting Agreement, dated as of January 2, 2003, between the Company and Stephen M West. (previously filed)
- 13.1** Section 906 Certification of Chief Executive Officer and Chief Financial Officer

*Confidential treatment has been granted.

**Submitted herewith.

REPORTS FILED ON FORM 8-K

No reports were filed during the year ended December 31, 2010.

REPORTS FILED ON FORM 6-K

Dated May 14, 2010	Quarterly Report March 31, 2010
Dated July 16, 2010	Quarterly Report June 30, 2010
Dated September 7, 2010	Amended Quarterly Report June 30, 2010
Dated October 14, 2010	AGM Proxy Statements
Dated November 17, 2010	Quarterly Report September 30, 2010

SIGNATURES

The Company hereby certifies that it meets all of the requirements for filing on Form 20-F and has duly caused and authorized the undersigned to sign this Annual Report on its behalf.

CREATOR CAPITAL LIMITED

/s/ Deborah Fortescue-Merrin

Deborah Fortescue-Merrin
President, Chief Executive Officer, Chief Financial Officer
and a Director

Date: June 28, 2011

EXHIBIT 12.1**CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Deborah Fortescue-Merrin, certify that:

1. I have reviewed this Annual Report on Form 20-F of Creator Capital Limited;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this annual report;
4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15 (e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and
5. I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of company's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: June 28, 2011

/s/ Deborah Fortescue-Merrin

Deborah Fortescue-Merrin

President, Chief Executive Officer, Chief Financial Officer and a Director

EXHIBIT 13.1

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350 AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Deborah Fortescue-Merrin, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) the Annual Report on Form 20-F for the year ended December 31, 2010 (the "Report") fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of the Creator Capital Limited.

Date: June 28, 2011

/s/ Deborah Fortescue-Merrin

Deborah Fortescue-Merrin

President, Chief Executive Officer, Chief Financial Officer and a Director

A signed original of this written statement required by Section 906 has been provided to Creator Capital Limited and will be retained by Creator Capital Limited, and furnished to the Securities and Exchange Commission or its staff upon request.